

Review Articles

Walter Nash. By Keith Sinclair, Auckland University Press and Oxford University Press, 1976. 439 pp. N.Z. price: \$13.95.

A LIFE of Sir Walter Nash is necessarily also a history of New Zealand politics for 40 years or more. Professor Keith Sinclair has done justice to this dual task. He has got Walter Nash right; and he has written a book which is long likely to remain the standard work on the New Zealand politics of its period. The book itself is none too big, given the scope of this dual theme and the sheer wealth of the historical legacy which Walter Nash left to posterity. One almost wishes for two volumes, on the model of Michael Foot's biography of Aneurin Bevan. But Sinclair has steered a nice course between the special interests of the scholars and the more general interests of other readers.

The early history of the Nash family, in England and New Zealand, is very well done and lays a foundation which engages personal interests, upon which Sinclair can build the later political themes. One is struck, in these early chapters, by the righteousness not to say unctiousness of the young Walter's views. He mellowed in his personal attitudes in later life but he remained remarkably consistent in his basic thinking. By contrast, Peter Fraser began his career well to the left of Nash and ended it well to the right of him. Sinclair aptly observes that it was Nash, in the days of the first Labour government, who tended to be the more doctrinaire of the two. On only one major question did he change his thinking drastically, that of pacifism. Gradually he became convinced that only by fighting could one deal with the Nazis.

Sinclair has pursued a basically chronological approach and for the most part this serves him well. Only in the early years of the Labour government (from about 1936–40) did I find it slightly disappointing. There is still scope here for a more analytical treatment of some of the principal themes of those years: internal financial policy (essentially, credit); external trade policy and exchange control; the guaranteed price; and social security. But, at the same time, the chronological approach does serve to reveal the diversity of the issues which the new government faced and the pressures to which its leaders were subjected, as one urgent problem pressed upon another. That, rather than a sustained analysis, issue by issue, gives a truer picture of political life.

In his judgements Professor Sinclair displays perceptiveness, shrewdness, and robust good sense. He has done much-needed justice to the role of Nash (and also of Fraser) in resisting the monetary reformers who formed a radical wing of the Parliamentary Labour Party. His book should, so one may hope, provide a powerful antidote to the writings on the period of Dr W. B. Sutch and also of John A. Lee (who has become something of a legend because he has outlived and outwritten his adversaries of the 1930s).

Labour's international policy in the 1930s has received much attention and many plaudits. Sinclair appears to accept the standard view and I have some sympathy with it. And yet one may wonder. New Zealand could exercise no effective responsibility for events in Europe and could all the more easily, therefore, afford the luxury of distant principle. Magnificent, a cynic might say, but not foreign policy. The attitude of mind now more evident again in the post-Vietnam age, in New Zealand as elsewhere in the Western world, might perhaps induce a greater measure of understanding for the hesitations of the Baldwins and Chamberlains of the 1930s — whatever their mistakes. Why fight Hitler until it was certain that you had to? Who now would wish to guarantee with his life some contemporary equivalent of Poland? It was Chamberlain's line and not Churchill's, it is salutary to remember, which retained the support of British public opinion until the outbreak of war.

Sinclair observes (p. 200) that while Labour's faith in or hope for the League of Nations was misplaced, so was that of New Zealand conservatives in the Royal Navy. This may have been true of a conservative public opinion, but it is not true of New Zealand governments after Massey. Both Coates and Forbes held genuine anxieties about the likely strength and effectiveness of British naval protection for New Zealand and they pressed those doubts in private governmental discussions. It was not until 1936, under Labour, that such differences of view tended more often to be aired publicly. The break in New Zealand attitudes after 1935 was, in this respect, less dramatic in government-to-government communications than it appeared to be to public view.

Incidentally, perhaps it is time that we stopped accepting those famous words of Savage's 'Where Britain goes . . .' (p. 202) at quite their face value. Not only did Savage not write them but (according to personal accounts) Fraser and his advisers had a devil of a job persuading the ailing Prime Minister — whose Irish-Australian ancestry should not be forgotten in this connection — to actually *say* them.

It was the war and its settlement which brought Nash and Fraser to the peak of their public careers. Sinclair gives an admirable account of their work in these years. Nash's double role as Minister of Finance in Wellington and New Zealand Minister to Washington was a remarkable one. Perhaps he has never received sufficient public acclaim for the calibre of his achievements in the management of New Zealand's wartime economy. His wartime budgets (described as 'brilliant' by the 1956 Royal Commission on Money and Banking) and the Economic Stabilisation Scheme, which lasted from 1942–49, were its foundations. But although economists and historians may bestow praise, the extent of the achievement was soon forgotten after 1945, if indeed it was ever fully realized. Walter Nash soon became the 'acid-drop' man of Minhinnick's devastating cartoons.

The relationship between Nash and Fraser — who, with Arnold Nordmeyer, virtually carried the embattled Labour government by 1949 — remains a fascinating one. Sinclair remarks, with insight, that in some ways Nash's role diminished when Fraser succeeded Savage as Prime Minister in 1940. Previously the two men had been Savage's principal lieutenants, of apparently equal public standing, despite Fraser's theoretically senior ranking. But when he became Prime Minister there was no doubting that Fraser was boss of the government. Walter Nash admired him even if one suspects that at times he may not wholeheartedly have

approved of him. Fraser was, incidentally, younger than Nash (by some 18 months), not older.

It was because of his longevity that Nash had to face the consequences of the long and perhaps inevitable decline of the Labour Party after its fourteen years in office. He was almost 69 when he was elected to succeed Fraser as leader of the Parliamentary Labour Party — shortly before Nordmeyer could re-enter Parliament by winning the by-election for Fraser's seat.

The wharf dispute of 1951 was an unhappy start for Nash. He had little sympathy for the leaders of the watersiders union. The Labour government, he felt, had tried everything possible to engage their co-operation. (It had offered the union, he said, effective control and management of the wharves but this they had rejected. They did not want such responsibility.) But nor was he prepared to endorse the drastic measures taken by the new government. Sinclair fairly describes the unhappy dilemma in which he was placed and the dignity of his behaviour under a storm of criticism.

Sinclair observes further, of Labour in the 1950s, that they were a weak Opposition (p. 291). The reasons for this could perhaps be further developed. One was the style of Nash's leadership. He was, in many ways, a 'loner'. Despite his intellectual capacity and energy, he lacked organizing ability — or even any real sense that a parliamentary team needed to be organized. He led the band from the front but he led it as a one-man band. Once every three years, so it seemed, he looked over his shoulder at election time to see if his followers were still there. Not all of them were.

It was this sense of frustration, almost of despair within the Parliamentary Labour Party — the feeling that Nash led them only by being himself personally distinguished and that they were in a sense leaderless — that was probably the principal ingredient in the attempt made in 1954 to depose him. This was, I believe, a more serious affair than Professor Sinclair appears to think (pp. 292–4). He may have been misled in this by undue brevity in the Caucus minutes.

My recollection is that the vote, in a Caucus of 30 members, was something like 15 for Nash and 11 for Nordmeyer and that the four Maori members abstained from the vote — after a preliminary statement to that effect by their unofficial leader, E. T. (later Sir Eruera) Tirikatene — which was itself a blow to Nash. In any case it was clear, when Walter Nash returned from the Caucus, that he had been stunned by the vote, that he expected the attempt to be renewed, and that he thought it might well succeed. That it was not renewed was because of other factors which Sinclair well describes, including Nash's own tenacity and especially the influence of the National Executive of the Labour Party.

The Opposition revived a little in vigour and morale in 1955, after recovering some ground at the 1954 general election, in part because it was boosted by events which worked to its advantage. In addition to the 'Parker case' on equal pay, to which Sinclair refers, there was the 'Compton case' involving the re-organization of the leadership and administration of the police. Although of less fundamental importance as a long-term political issue it was actually a greater windfall for the Opposition at the time, enabling even the most limited member to go on to the attack crying 'maladministration'. But by 1957 these issues seemed to have worked themselves out. It was financial questions which then became dominant.

The 1957 election provided a unique opportunity for political parties to be generous in their policy manifesto because this was the year immediately before

the scheduled changeover to a system of pay-as-you-earn (PAYE) taxation of incomes. Consequently, the various party policies that year tended to look (as R. H. Tawney expressed it in another electoral context) 'like a glittering forest of Christmas trees, with presents for everyone'. Labour had included a promise to introduce PAYE taxation in its 1954 general election policy. There were obscurities in that policy as drafted. It said nothing about remitting the tax on a complete year in order to prevent people from having to meet two years' tax liability in one year during the transitional period. Sinclair is quite right in saying that Nash objected to this idea and that he was ready to offer an even more generous rebate (£200, he suggested) to avoid doing it.

It was the Bay of Plenty by-election of 1956 which revealed to the Labour Party — if not to other observers — that it was in a complete muddle on the matter. Nash said one thing in that campaign and his deputy, C. F. (Jerry) Skinner, another. (It was in an attempt to resolve this dilemma, incidentally, that the Caucus Finance Committee was summoned by telegram. Neither it nor any of the other Caucus committees set up after the 1954 Election had ever met — an indication of the state of the Opposition's parliamentary organization. The response of one member was an indignant telegraphed denial that he was on it. He was wrong, but that was understandable.) Finally the matter was settled by Labour's Policy Committee in 1957. Nash lost that battle, although I don't think he fought too hard. The policy decided on was the remission of one year's liability for income tax and rebate of £100.

Labour won the general election and the new government was at once all but engulfed by a severe balance of payment crisis. They were taken by surprise because the situation worsened rapidly during the campaign, in October and November, when most eyes were fastened elsewhere.

I doubt that the urgent re-imposition of import controls on 1 January 1958, whether or not that was an over-reaction, really cost the government much in popularity — at least initially. Perhaps it did so later. But certainly, in the Clutha by-election shortly afterwards, Labour polled a very good vote in what was normally a safe National stronghold and Walter Nash, as Prime Minister, was personally very well received there during the campaign: people waved to him on the streets. By contrast, shortly after the Budget, when the Prime Minister inspected progress on the construction of the Roxburgh dam, the men would not even look up at him let alone talk to him.

It was indeed the Budget of 1958, skillfully exploited by the Opposition as the 'Black Budget' which did the Government in — as Sinclair rightly stresses. It was the unfortunate timing as much as the impost of the measures. Many people felt that the election promises must have been a hoax. A Minhinnick cartoon summed up this feeling: 'Walter', depicted as Robin Hood, a beatific expression on his face, handing out the £100 goodies to a queue of surprised but grateful taxpayers; 'Nordie', as Friar Tuck, standing behind a tree wielding a huge cudgel labelled 'The Budget', taking it all back.

The Government had better success with a number of international issues. My only qualification to Sinclair's account of them concerns the policy on China. Although an understanding to recognize the Peking government and to seek its admission to the United Nations was contained in Labour's 1954 election manifesto, that undertaking was conspicuously absent from the 1957 manifesto. The omission was deliberate, for by 1957 — following the Off-shore islands crisis of 1955 and the Chinese occupation of Tibet in 1957 — public opinion in

New Zealand and abroad was different from that of 1954 (the year of the Geneva Conference). The new Labour government in 1957 was not, therefore, formally committed according to its constitution to recognize the Peoples' Republic of China, although it retained a general sentiment in that direction.

The tragedy for Walter Nash was that he became Prime Minister too late in life. He was 75 when he was elected in 1957. During the 1950s, his capacity for hard intellectual work — for the analysis of problems rather than the making of speeches — had visibly declined. In 1952 he would still take the time to master material prepared for him, to recast speech-notes to suit his own style, to call for supplementary material, to cross-question the drafter. But by 1957, he would sometimes go into the House for a major debate scarcely even having read his speech-notes himself, there to be waylaid by a host of interjectors to whom answers were available on a following page and whom in his prime he would have demolished with ease. It was sad to see. By then, too, he had lost the taste for partisan in-fighting and had in many ways outgrown it. The role he was playing, as Sinclair notes, was closer to that of a Governor-General than of a Prime Minister.

Walter Nash was a remarkably complex man, not least to his staff. Keith Sinclair has assessed him fairly, warts and all, and his stature is apparent. Perhaps Sinclair has underestimated a little how formidable, even ruthless on occasion, Nash could be towards his opponents, especially those within the Labour Party, if he found himself in a position of difficulty. He shared too with John Foster Dulles, whom in some ways he resembled, despite the obvious differences of political view, a tendency to regard opposition to his policies as amounting to an obstruction of the divine will. But that single-minded sense of righteousness was part of his great strength. (He and Dulles got on splendidly, incidentally, at the 1958 Colombo Plan Conference in Seattle — it was fascinating to see them 'Foster' and 'Walter' each other.)

I have differed with some of Sinclair's conclusions and have sought to amplify others but — with the partial exception of the 1954 leadership issue — I have no quarrel with his account on any point of real substance. The essential shape of the picture he has drawn seems to me to be a true one.

Professor Sinclair has not only mastered the Nash papers, he has acquired in the process an understanding of New Zealand politics and of the workings of modern government given to few New Zealand historians. We may hope that with this understanding, with his clarity of mind and grace of style, he will — after a well-earned break — soon resume his scholarly labours on another appropriate political theme.

BRUCE BROWN

New Zealand Embassy, Tehran