

Gordon Coates

'Let the deeds speak'

MICHAEL BASSETT

For nearly all of the 51 years since he died suddenly at his desk, someone, somewhere, has been researching Coates's life, writing about him, or exhorting others to do so. Within days of Coates's death on 27 May 1943, O.S. (Budge) Hintz, a *New Zealand Herald* reporter, began work on a biography. Hintz had known Coates well, and had been directed by his employers to prepare favourable local reports for the *Herald* to publish during Coates's difficult re-election campaign in 1935. By 1944 Hintz was overseas with the Navy, his rising seniority leading ultimately to the *Herald's* editorship, caused him to abandon the biography. Coates's secretary retrieved boxes of material from Hintz's home in the mid forties and went on sorting them herself.¹ The torch passed to Coates's first Kaipara electorate chairman, Carey Carrington, who began addressing Rotary and Optimist Club meetings about what he saw as Coates's legacy.²

In 1950 Dr R. M. Campbell, one of the members of Coates's 'Brains Trust' urged Randall Burdon to tackle Coates's life. At the time Burdon was preoccupied with his work on Seddon, and his own health was at best indifferent. Keith Holyoake, a great admirer of Coates, then urged Professor Leicester Webb to write about him, but Webb was killed in a car crash in the early 1950s.³

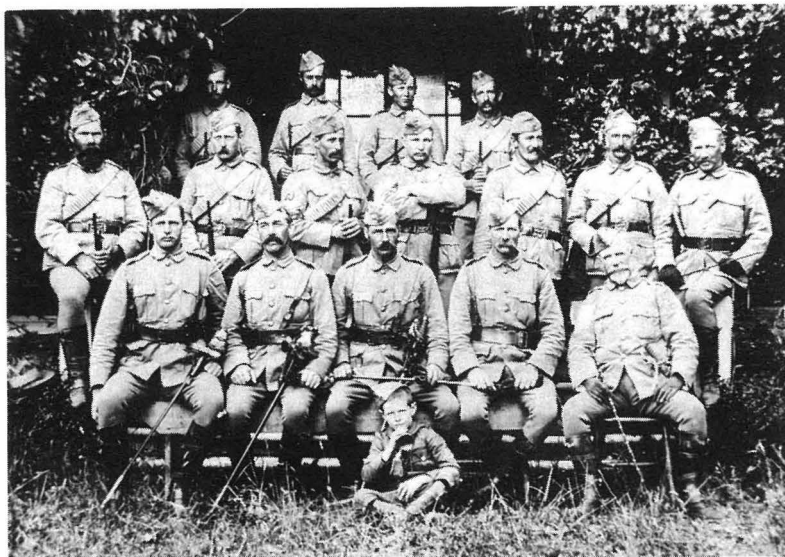
It was Margaret Harding, Coates's electorate secretary for all his 32 years in Parliament, who was the first to complete something about Coates. She produced six copies of a typescript called 'Reminiscences of the Parliamentary Career of the Rt Hon J.G. Coates' in 1954. They circulated among Coates's family and friends. Meantime, a Wellington student, B.H. Farland, had begun work on a biography which resulted in an MA thesis in 1965. This led to the publication in 1968 of a small pamphlet about Coates. Dr W.B. Sutch who had served for two years on Coates's 'Brains Trust' 1933-5, had long been nurturing plans for writing Coates's biography. At the end of the 1960s he began sending letters to a variety of people, in effect asking them to undertake research for him. Dr Campbell had written a lengthy memoir about his late boss, and he gave warm encouragement to Sutch and to a retired Kaipara farmer, John Barr who, with a schoolteacher friend, Alex Watson – a Coates relative – were tripping about the country, recording interviews with people whose lives had intersected with Coates's.⁴

But this all came to nothing, although I have fortu-

nately gained access to most of the material. Sutch did little research of his own; an early effort written from the top of his head appears to have been rejected for publication, and at the time of his death in 1975 Sutch had sketched out only three chapters of his projected substantial study.

However, interest in Coates remained alive. Barr wrote a journal article and one for the *Herald*, and in the late 1980s Dick Scott decided to include something about the Coates family in his *Seven Lives of Salt River*. The relevant chapter excited some interest, and the claims about Coates's early liaisons surprised Coates's five daughters, all of whom were still alive. The eldest, Mrs. Sheila Pryde of Whangarei, approached first Keith Sinclair and on his recommendation, me, to undertake a full study of Gordon Coates. An agreement was signed whereby they would make all material in their possession available to me. I began work in 1991, and from April 1993, with the help of a grant from the Arts Council, worked full time on the project. The task has been completed and the book will be published next year by Auckland University Press.

What was it about Coates that has caused such persistent determination? Politicians who die in their prime often attract interest among those intrigued by the might-have-beens of history. John Kennedy, Hugh Gaitskell – and might I suggest John Smith – as well as Norman Kirk, possess enduring interest partly for this reason. All of them, however, belonged to parties, and had their faithful followers. By the time of his death, Gordon Coates, who had never been a strong party man, had left the National Party, and was planning to stand as an independent at the 1943 elections. That, in itself, is a sufficiently unusual thing for a former Prime Minister to do, and always attracts interest: we can all remember the way in which Muldoon's newsworthiness seemed to rise the more he distanced himself first from Jim McLay, then from Jim Bolger and Ruth Richardson. Yet, no one will ever forget Muldoon's legacy, however much his former colleagues might wish to write the 1975-84 economic decisions out of the history books. Coates's legacy, on the other hand, is one that historians have had difficulty coming to grips with. Postwar parties, National as well as Labour, ignored him. Even Holyoake, one of Coates's steadfast admirers from the day he entered Parliament in December 1932, seldom let Coates's name escape his lips in later years. Coates had become an enduring symbol of hard times. While his efforts during World War II softened that image, and raised Coates's reputation



The Otamatea Mounted Rifles, 1901. Gordon Coates, front row far left, was their captain from 1901–1908.

within the Labour Party, he never quite recovered from the battering meted out in 1935 to the Government of which he was the driving force.

There has been a vague sense of injustice underlying much of the post-mortem effort on Coates's behalf, a feeling that he deserved higher recognition. After all, he was responsible in the early 1920s for several monuments that lived on into modern times – public development and ownership of electricity generation; the Main Highways Board that later became the National Roads Board, and the method of funding local and arterial roading; and for applying an economic rather than a political test to the usefulness of a railway line before construction proceeded. Writing at the end of the Depression, J.C. Beaglehole – never a political supporter – was clearly touched by Coates and by a feeling that he had been wrongly treated. In his *Short History of New Zealand* Beaglehole wrote: 'Mr Coates ... had come to stand for the Government; he was certainly the one recognizable personality in it. There was sometimes more than a faint ring of artificiality about the sporadic praises offered up to other ministers. There was never any doubt about the denunciations hurled at Mr. Coates. He moved decisively where angels have hitherto feared – or been unable with propriety to tread; but it is unlikely that any final judgment will class him a fool. His sincerity and courage were unquestionable; and it may have been doubted if anyone could have done more than he to master the situation with which he was confronted.... The election [of 1935] for him, much more than for any of his colleagues, was a personal and shattering defeat.... He remains, for the latest decade of our time, the most consid-

erable figure in New Zealand politics'.⁵

Some, like W.B. Sutch, have tried to carry this further, claiming Coates as a father of the modern Welfare State. 'New Zealand's greatest finance minister', Sutch calls Coates at one point: 'Without the Reserve Bank [set up in 1934 by Coates] Labour could not have carried out its reforms'.⁶ At another point Sutch calls Coates an 'outstanding man' who 'was prepared to be independent and try to build the economic framework of a nation'.⁷ As Sutch himself plunged ahead in his later years advocating a more tightly controlled

economy with import controls as its central feature – a world that we have now spent a decade escaping from – he painted Coates, rather than Walter Nash, as the inspiration for the regulated society that ground to a halt in 1984. It was all a bit overdone, especially since Coates's last political battle in 1939 before he became absorbed with the war, was a bitter fight against Walter Nash's import control regime.⁸ Coates had become considerably larger than life – at least in Sutch's mind.

The secret to the Coates industry is to be found in the man himself, as much as his works. During his life, no one was indifferent to Coates. He stood out in any crowd by his physique and manner. At six feet, 14 stone, with a chest measurement, according to the Defence Department of 44 inches, he was a big man for his day. His auburn hair was often noticed by reporters. He was among what was still a small group in Parliament as late as 1914: he'd been born and bred in New Zealand. Apart from Sir Francis Bell who warmed the Prime Minister's seat for two weeks in 1925 after Massey's death, waiting for the Reform caucus to crown Coates his successor, 'the man from Matakoho' as some called Coates, was the first New Zealand-born Prime Minister.

Coates was more than this. There was a vigour to him, a capacity for hard slog that probably exceeded Seddon's, Ward's or Massey's. Age helped a bit: at 47 when he became Prime Minister in 1925 he was the youngest leader since Vogel. He emerged from an aged parliamentary ruck dominated by septuagenarians, seemingly with the ball at his toe. He was the stuff of which legends are made; fit, courageous to a fault – his two Military Crosses in France testified to that – and a horseman of quite remarkable ability. Coates inspired admiration with his strenuous personal life, in somewhat the way that America's youngest



President, Theodore Roosevelt, had succeeded in doing a generation before.

As I said earlier, Coates was a man's man, and the reputation that dogged him of being a lady's man only added to his aura. There was loose talk in the North about early liaisons with Maori women. All his life Coates was surrounded by women who idolized him – his mother, Eleanor, three of his four sisters, and after 1914 when he married, his adoring wife Marjorie and five daughters. His electorate secretary throughout his 31 years in Parliament was a tall, handsome woman, Margaret Harding, who later wrote about him; his Wellington secretary, Helen (Tui) Montague, was a similarly commanding figure who loved him and devoted fifteen years of her life to his welfare. When women first met him they were struck by his courtesy, charm, confidence. After World War 1 men who survived spent inordinate time in RSAs and with their 'cobbers' reliving the war. Coates liked these emotional reunions, but loved nothing more than women's company. He took an interest in their activities, and sought their advice and assistance to an extent that was unusual for the time. Miss Montague was said to be the first woman Principal Private Secretary, an appointment in itself which fuelled stories about Coates. She had an independent mind and wrote many a memo to him, offering her views. She was anything but the subordinate secretary, and he would have it no other way.

When he first went into Parliament in 1911 as MP for Kaipara, Coates possessed little but personal charm. He seldom spoke in the House, and when he did, his speeches

Sir Joseph Ward (Prime Minister) at left; Sir Thomas Mackenzie (with umbrella) centre (former Prime Minister); Gordon Coates and his wife Marjorie at right; December 1928. J Cullen Collection, Alexander Turnbull Library.

were quite unremarkable. Years later when his oratory had improved, his syntax was sometimes still astray, and it was not uncommon for admiring reporters to fill in sentences that had been left hanging in suspense. Those early days were spent on the Parliamentary tennis court, in the Thorndon Pool or riding horses on his friend Jack Stevenson's farm at Titahi Bay. It was France in 1917-18, and the horrors that reduced lesser men to ruin, the excruciating slime, stench and filth of the trenches, that gave Coates confidence in himself and educated him in the art of leadership. From then until his death, war imagery peppered his speeches. He learned about loyalty, and how essential it was to stick up for oneself and particularly for ones' subordinates. He set an example for gallantry that 'returned men', no matter what their political party in later years, always respected. Of Coates the man, few ever mouthed criticism.

The invitation to join Massey's Cabinet in September 1919 was a heaven-sent opportunity. Coates was a full decade younger than the next youngest in Cabinet. It was not hard to shine, particularly when the Prime Minister gave him the politically important Public Works portfolio after the 1919 election. Coates worked hard, and was soon noted for his quick, confident decision-making. There is no evidence that Massey was carefully grooming Coates to

succeed himself: in my experience leaders never do such a thing. But there is no doubt that as Massey slowly succumbed to liver cancer in the early months of 1925 the Cabinet and caucus had already chosen Coates to be the leader.

Coates possessed a temperament that surprised upper-class Englishmen as much as it appealed to New Zealanders. Sir Charles Fergusson, who became Governor-General in 1924, was greatly taken by him, but often remarked on Coates's 'somewhat downright though pleasant personality and an unconventional manner'.⁹ Coates could breeze into a room – as he did to a gathering of Imperial Prime Ministers in 1926, survey the scene, and declare 'So the gang's all here!'¹⁰ Coates had by then long left the Northland bush, but it never entirely left him. Stiff British bureaucrats at Ottawa in 1932 at first formed a poor opinion of Coates's ability, and only warmed to him when other colonials like R.B. Bennett of Canada and Stanley Melbourne Bruce of Australia made themselves thoroughly obnoxious to the British delegation.¹¹

At home, in 1925, Coates could do no wrong. He had become the political icon of his generation. Early in 1928 Fergusson reflected on the 1925 election in one of his secret reports home to the Dominions Office. He described the appeal of Coates's 'business-like ability': 'His brisk manner, his vigorous personality, his commanding figure, and the fact that he was a New Zealander born and bred, all appealed to the imagination of the people. With all these predispositions in his favour there was added the influence of an efficient party organisation which ... directed all its rays upon the business qualifications of Mr Coates. It was on such catch cries as "The Man Who Gets Things Done" and "More business in Government and less Government in business" ... that the Prime Minister emerged victorious', Fergusson wrote. 'Seldom has a politician in modern times, without the aid of the gift of oratory, been surrounded by so bright a halo of infallibility or exercised such a great influence upon the result of a political campaign'. Fergusson continued: 'It is safe to say that the declared policy of the party carried less weight than the hopes centred upon its chosen leader ... These high pitched hopes have proved a handicap to the Prime Minister as he himself ... quickly realised. No Parliamentarian, however distinguished by ability and experience, could hope to realise the title of the expectations which this wave ... created'.¹²

By December 1928 Fergusson's forebodings were proved right. Coates was still himself. His personal confidence and his speaking ability had improved during three years in the top office. Throughout the 1928 election campaign Coates hung on tenaciously. He bettered his audiences when they got rowdy. But he was no miracle worker; his Government fumbled several key issues between 1925 and 1928; and the economy was subsiding gradually into depression. Never again did Coates's halo shine as brightly

as in 1925; he himself remained solid, charming, predictable, and seemed the better for his term as Prime Minister, but he never again got the opportunity to try his hand at overall leadership. He drove the Coalition Government between 1931 and 1933, especially after becoming Minister of Finance on the day New Zealand devalued in January 1933. But he was obliged to defer to George Forbes, a man for whom privately he felt increasing contempt. A few days after the election of 1935 he shared his feelings with Downie Stewart: 'I have carried this fellow; he is a heavy weight and I feel that no longer can I carry him. I may be unpopular but I have had a good chance of gauging [sic] Forbes's capabilities – they are just nil. He has some good qualities but his capacity is very limited.'¹³

Looking back on the Coalition Government and particularly the nearly three years following January 1933, one is struck by the sheer magnitude of the problems they faced. Coates uncomplainingly carried an enormous burden. Soon after Coates's death Dick Campbell recalled Coates showing 'great mental and physical energy'. He showed a capacity 'to rise above details while grasping them very quickly as required' – something which Holyoake in later years also displayed. Campbell noted that Coates 'made work easy for himself and his associates – his 'slaves' we flippantly called ourselves – by making light of it, and by his delight in having something to tackle. He didn't philosophise or reminisce. When one task was over, his instant question was "what next". He never paused to go over what was done with, to analyse what had gone before ...; never, I think, did he let himself pose for posterity'. A mannerism or foible of Coates's was 'to see things strongly and vividly, one aspect at a time – nothing irritated him in a document more than to have a seemingly good case, in the process of being established, half spoilt and confused by something starting with the words "On the other hand"'. 'Nothing', says Campbell, 'was so irritating [to Coates] unless it was to be asked to sign a letter in which his correspondent was told "As you are aware" – for if he was aware already, why tell him?' Campbell noted the way in which Coates 'saw things so vividly, and hated misty greys'. He could have 'a good row with someone, a banker for instance ... and the banker pompously non-cooperative', and then make up for it by some act of kindness towards the object of his earlier wrath'.¹⁴

I've quoted Campbell's observations at length because they are interesting in themselves. The most important point that Campbell doesn't get round to making is that Coates had a good temperament for politics. If one is of the brooding, hating variety – and it's easy enough to get that way when all the world seems agin you – in the end you achieve much less; too much time is spent plotting revenge. Coates's prodigious output between 1933-5, devaluation and its attendant legislation, the Small Farms (Relief of Unemployment) Act, a major restructuring of the tariff, the Mortgagees and Tenants Relief Amendment

Act, the New Zealand Debt Conversion Act, the Reserve Bank Act and the Mortgage Corporation legislation – to mention only the most important Bills, could never have been passed had he not pressed resolutely ahead, pushing ill-informed criticism to one side. 'Let the deeds speak', he once told his staff when they implored him to quell unpleasant rumours that were being circulated. Only Roger Douglas in the period 1984-8 comes near to matching Coates's single-mindedness. Interestingly, Douglas shares many essential ingredients in Coates's temperament. Both, however, inspired dislike, even hatred for their views from those more ideologically blinkered, or preferring nostalgia to rigorous analysis.

In the end, Coates has to be seen as a transitional figure in New Zealand politics. With extremely conservative advisers in Treasury, it was not surprising that he did not find out about Keynes until he spent several months in Britain in 1935, by which time it was too late to re-inflate the economy at home. Yet the Reserve Bank and the Mortgage Corporation were both ideas that the Labour Government picked up, amended, and used. Moreover, it is indisputable that the mammoth work undertaken by Coates in 1934-5 to reduce New Zealand's cost structure provided a foundation on which Labour built in later years. Coates, however, could never adjust himself to the substantial spending programmes of 1936-8, and he instinctively recoiled from the Minimum Wage legislation, believing it would fuel inflation and not necessarily increase the supply of jobs. Import licensing, with all the power that it bestowed upon civil servants, would encourage inefficiency and further raise prices. More than half a century later, as we reflect upon some of Coates's comments on Nash's

attempts to insulate the New Zealand economy, and the excesses that others took those policies to in later years, it would be wise of us not to dismiss Coates's view with the same scorn shown by our fathers' generation.

FOOTNOTES

- 1 There is much material about early efforts at a biography in the papers of Helen Montague, 77/249/1, Alexander Turnbull Library (ATL).
- 2 'Reminiscences of the late Rt Hon J.G. Coates', talk to Optimists' Club, 9 October 1947, in possession of author.
- 3 Campbell to R.M. Burdon, 22 August 1950, Burdon Papers, 275/12, ATL.
- 4 *Dominion*, 28 October 1970; *Herald*, 3 November 1982, Section 2; J.M. Barr, 'The Coates Family of the Kaipara', *Auckland-Waikato Historical Journal*, Vol 38, April 1981.
- 5 A.P. Watson published a book entitled *Hill of the Sea Bird: In the Times of the Kaipara Coates Families*, Whangarei, 1993.
- 6 J.C. Beaglehole, *New Zealand: A Short History*, London, 1936, pp 151-2.
- 7 W.B. Sutch, 'Gordon Coates: The Lonely New Zealander', *New Zealand's Heritage*, p 2203.
- 8 Sutch, *The Quest for Security in New Zealand, 1840-1966*, Wellington, 1966, pp 167-8.
- 9 See file of documents, J.G. Coates Papers, 1785/48, ATL. *Dominion*, 10, 31 August 1939; *Evening Post*, 29 September 1939.
- 10 Fergusson to Secretary of State, Dominions Office, 25 January 1926, DO/35/4, National Archives.
- 11 I am indebted to Alex Watson for this family story.
- 12 Sir Geoffrey Whiskard to Sir Edward Harding, 29 July 1932, DO/121/61, p 39, Public Record Office, London.
- 13 Fergusson to Secretary of State, Dominion Office, 26 April 1928, DO 35/48.
- 14 J.G. Coates to W.D. Stewart, 4 December 1935, Stewart Papers 985/1/46, Hocken Library, Dunedin.
- 15 Campbell to O.S. Hintz, 8 and 11 November 1943, Montague Papers, 77/249/3, ATL.

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