

Countering Spin: The Savage-Corbyn Phenomenon

Keith Rankin, 22 August 2015

The hitherto little known and seemingly uncool Jeremy Corbyn has become a serious contender for the leadership of the British Labour Party. He seems to be a genuine 'people person'; old enough and calm enough to speak to people directly, unaided by the spin doctors who use the media to mould our thoughts and coach our politicians.

Unsurprisingly, Corbyn is subject to a tirade of negative spin, especially comparisons to the hapless Michael Foot (in the early 1980s) whose main political sin was a naive inappreciation of the forces that were massed against him.

Times are different now, and it's the transparent niceness of the man that's attracting a much broader level of support than that of the left of the Labour Party.

The obvious comparison for me is that of Michael Joseph (Mickey) Savage, immigrant from Australia at age 35, and New Zealand prime minister after the 1930s' great depression. Savage was an avuncular pragmatist with a deep and transparent commitment to social and economic justice. He was by no means the only person who could have become Labour leader after the 'timely' passing of Harry Holland. But he had that ability—through his personal sincerity—to reach out to people who were becoming disillusioned with the capacity of democracy to bring about change for the victims of economic malaise. Then, as Corbyn does now, Savage emerged to the fore in an era of poverty amidst plenty; an era of so much need (demand), so much capacity (supply), and so little money actually circulating.

Savage saw that the problem of poor indebted farmers had much in common with that of the income-starved urban working-class, and could reach out to both groups. Not a hint of the divide-and-rule politics which is the staple fare of the political right. Further, inheriting a Reserve Bank and a 'brains trust' from the pragmatic Gordon Coates (Finance Minister 1933-35), Savage was able to implement a programme that united the country sufficiently to give Labour an overwhelming second mandate in 1938.

There was no lack of newspaper spin in 1934 and 1935, as it became increasingly likely that Savage would become more than an unlikely Leader of the Opposition. Eventually, in desperation, the frustrated anti-Savage spinners jammed the airwaves, to block Colin Scrimgeour's Friendly Road broadcasts. Also, thanks to Coates, extreme right-wingers split from the Reform-United ruling coalition, starting their own Democrat Party. It was the split conservative vote, along with the increasingly ham-fisted anti-Savage spin, that handed the 1935 election to Labour.

Savage was 61 when he became Labour's leader. Unlike Harry Holland, he was no firebrand socialist. He was just a principled man capable of imagining public prosperity, a one-time 'rationalist' seeking to apply Christianity in the ways that the poor understood their faith. Jeremy Corbyn comes across to me as a very similar sort of person, with precisely the same kind of broad appeal. The more the spin doctors of fear try to undermine him, the better he looks, at least to the bottom 60 percent. Especially to the young who were turned off by the insincerity of the spin machine.

The spinners' tactic is to say this or that "will happen" if Corbyn wins. This or that almost never happens. In hindsight, the spinners' predictions about what would happen if the people of Greece voted 'no' in their recent referendum look quite foolish. Ordinary people are learning to not believe the spinners, to move away from the conservative politics of fear. Young people are starting to see an older man whose politics are those of compassion, not of individual aspiration. And they are seeing that the wisdom of age might count for more than ambition for power. (I don't think I'm old, but, of major world leaders, only Dilma Rousseff is more than a year older than me. I reckon that good leaders are in their prime when in their late 60s. We need more older leaders, though I'm not convinced that Hillary Clinton quite has the Savage touch. Give me Bernie Sanders or the reluctant Elizabeth Warren any day.)

On TVNZ's Q+A last week ([Farming economy tightening its belt](#), 16 August 2015) I noted that dairy farmers are saying that each dollar they spend is re-spent "in the local economy eight times", and that therefore if

dairy farming is allowed to retrench, whole provincial economies will be devastated. While the 'eight times' may be an exaggeration, nobody refuted the general principle; a principle that applies equally to the government. Each dollar of government spending also recycles up to eight times. Just considering GST only – ignoring income tax – eight spendings at 15% per spending tallies to 120 percent of the initial government spend. It means that governments can reduce fiscal deficits by spending more (not less), especially when the farmers are spending less. And it means that reduced government spending makes the deficit bigger, not smaller.

People like Jeremy Corbyn – and Mickey Savage eighty years ago – can appreciate this simple Keynesian insight in ways that our media-cautious political aspirants cannot. Thanks in large part to 'fiscal consolidation' in the United Kingdom – meaning government austerity – British government debt has doubled (relative to GDP) since 2008.

Corbyn is and Savage was austere, but in a modest, personal and unassuming way; clearly not men motivated by making money for themselves. Their simple austerity may be interpreted as a lack of ambition. But Corbyn is (and Savage was) ambitious in a much more important sense than we observe in ego-driven office seekers. Hence our ongoing appreciation of Mickey Savage's contribution to our collective welfare; revisionist historians have yet to dent his mana. And hence the British establishment's fear of Jeremy Corbyn.
