Reagan’s Candid Way

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Peter Berkowitz on *The Age of Reagan: The Conservative Counterrevolution 1980–1989* by Steven F. Hayward

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Steven F. Hayward. The Age of Reagan: The Conservative Counterrevolution 1980–1989. Crown Forum. 768 pages. $35.00

The relationship between presidents and their principles can be instructive. Candidate Barack Obama cultivated ambiguity in 2008 by running as both the candidate of hope and change and the candidate of sobriety and good judgment, somehow simultaneously a progressive and a moderate, a man of big ideas and a pragmatist, a partisan left-liberal Democrat and proudly postpartisan. In casting their 2008 presidential ballots, many voters hoped for a change from President Bush but were uncertain about exactly what change they were hoping for from a President Obama.

Nothing remotely similar can be said of those who elected Ronald Reagan president in 1980 and 1984. From the moment in October 1964 that he burst on the national stage with a paid, nationally televised campaign speech on behalf of Republican presidential nominee Barry Goldwater, the man who was to become the 40th president of the United States led with his principles and reaffirmed them at every opportunity.

Indeed, in “A Time for Choosing” Reagan boldly affirmed the principle of individual freedom around which he would eventually build his presidency and elaborated its leading policy implications. Whereas the Democrats, according to Reagan, contended that campaign 1964 was about “the maintenance of peace and prosperity,” he believed that the fundamental issue was the recovery of the knowledge of “the freedoms that were intended for us by the Founding Fathers.” Individual freedom properly understood, in his judgment, counseled the need to reduce high tax burdens, cut hefty deficits, and rein in profligate government spending. Freedom also required limiting government to “its legitimate functions”; encouraging private-sector initiative, efficiency, and productivity; and taking power from federal bureaucrats and returning it to where it rightly belonged, with local government officials who recognized their communities’ priorities and knew how to serve them. And he highlighted the communist threat to freedom, warning gravely that “We are at war with the most dangerous enemy that has ever faced mankind in his long climb from the swamp to the stars, and it has been said if we lose that war, and in doing so lose this way of freedom of ours, history will record with the greatest astonishment that those who had the most to lose did the least to prevent its happening.”

A little over 16 years later, after two successful terms as governor of California, a failed 1976 run for the Republican presidential nomination, and a landslide victory over Jimmy Carter in the 1980 presidential election, Reagan reaffirmed in his First Inaugural the principles he had long championed, on which he campaigned, and in light of which he would govern. Still first and foremost was individual freedom. With the nation confronting soaring inflation, unemployment, interest rates, and deficits, he concentrated on the policy implications for the economy. “In this present crisis,” he famously proclaimed, “government is not the solution to our problem; government is the problem.” He did not mean that government had no responsibility for regulating market capitalism, but that the balance between big government and self-government had been thrown badly out of balance. He spoke in his way of hope and change and fairness: “This administration’s objective will be a healthy, vigorous, growing economy that provides equal opportunities for all Americans with no barriers born of bigotry or discrimination.”

The individual freedom to which he was devoted, Reagan reminded his fellow citizens, was firmly rooted in the American political tradition: “Freedom and the dignity of the individual have been more available and assured here than in any other place on earth.” To preserve and extend the achievement, he sought “to curb the size and influence” of the federal government. He emphasized that it was not his intention “to do away with government,” but “rather to make it work — work with us not over us, to stand by our side, not ride on our back.” Renewing the connection between happiness and liberty at home would enhance America’s ability to shine as “a beacon of hope for those who do not now have freedom.” And though he did not mention by name Soviet communism or the Muslim extremists governing the Islamic Republic of Iran, there could be little doubt that they were prominent among “the enemies of freedom” of whom he spoke. Appealing to the power flowing from “the will and moral courage of free men and women,” Reagan promised that the nation would seek military strength the better to avoid war and secure freedom.

It is a great merit of Steven Hayward’s politically sophisticated, thoroughly researched, and generally superb exploration of Reagan’s eight years in the Oval Office that it demonstrates that through the ups and downs, Reagan’s labors were guided by his principles, which he never ceased to expound and defend. Focusing on Reagan’s statesmanship, Hayward’s book completes the work that he began with The Age of Reagan: The Fall of the Old Liberal Order, 1964–1980 (2001). Taken together, Hayward’s two volumes provide an abundance of evidence and analysis to support the increasingly solid consensus among historians that Reagan deserves to be considered among our greatest presidents.

A fellow at the American Enterprise Institute and a senior fellow at the Pacific Research Institute, Hayward writes as an admirer of Reagan, endorsing his principles and policies, delighting in his achievements, and evincing pain at his setbacks. Such was the level of contempt showered on Reagan by the media, the intellectuals, and the Democratic Party elite that Hayward is frequently compelled to pause in the narrative to note how the facts do not comport with the widespread belief at the time that Reagan was, in the mocking words of

Democratic wise man Clark Clifford, an “amiable dunce,” a mediocre actor in way over his head, subject to systematic manipulation by his advisors and cabinet secretaries, always more likely than not through his domestic agenda to inflict irreparable damage on American society and economy, and, with his trigger-happy finger and cowboy diplomacy, a good bet to blow the world to smithereens. Yet his sympathy does not prevent Hayward from recognizing Reagan’s shortcomings as the nation’s chief executive and forthrightly examining Reagan’s greatest failure as president: the complex series of events that came to be known as the Iran-Contra affair, which significantly weakened Reagan in the final years of his presidency and tarnished his administration.

Hayward’s narrative is driven by the argument that in the name of individual freedom Reagan led a counterrevolution against the dominant left-liberalism of the day, opposing on the domestic front the great expansion of New Deal liberalism by lbj’s Great Society programs, and in the sphere of foreign policy rejecting the equivocal stance toward Soviet communism in favor of defeating it. In the process, Hayward maintains, Reagan corrected a dangerous drift to the left in American politics and “transformed the Republican Party in his own image.”

On the domestic front, Reagan’s signature achievement was the passage of the 1981 tax cut. So successful was he in making tax cuts the key to limiting government and expanding the economy that for going on three decades it has been conservative orthodoxy. Indeed, as Hayward points out, the Republican Party has more or less adopted Milton Friedman’s belief that any tax cut at any time for any reason is a good thing. Reagan accomplished this over the objections of many in his party, including George H.W. Bush, who, while he was still contesting the < span class="smallcaps">1980 gop nomination, famously mocked Reagan’s “voodoo economics,” and Senator Bob Dole, who resisted Reagan because he regarded tax cuts as irresponsible unless preceded or at least accompanied by spending cuts. And Reagan prevailed not only by arguing in terms of economic efficiency but also in terms of fundamental fairness, recasting the debate about what government owes citizens from one about entitlements to one about opportunities.

In what Hayward refers to as “one of the most remarkable political battles of modern American history,” and which he vividly chronicles, Reagan won passage of substantial tax cuts in late July, thanks in part to a last minute televised speech to the nation. The top rate, starting with income on a joint return of $162,400, was cut by the largest percentage, from 70 percent to 50 percent. But substantial reductions were made down the line: “For a couple with $30,000 income, the rate fell from 37 percent to 28 percent; at $50,000, the rate fell from 49 percent to 38 percent. A household earning the median income of $22,000 in 1984 saved about $500 in taxes.” And notwithstanding the opprobrium progressive politicians and intellectuals heaped on Reagan’s tax cuts, they prompted reductions in the taxation baseline around the world:

> In the ensuing years, nearly all industrialized nations would emulate the Reagan plan and reduce their marginal income tax rates. Even the Scandinavian social welfare states of Sweden, Norway, and Finland got in on the act. Norway cut its top tax rate from 75 percent to 54 percent, Finland cut rates from 71 percent to 54 percent, and Sweden from 83 percent to 75 percent. (Supply-siders suggest that Sweden's relatively poor economic performance relative to its neighbors is explained by the fact that it didn't cut its tax rates enough.)

It remains debatable under what circumstances and to what extent cutting taxes, as supply-side economists contend, leads to increased tax revenues. What is hard to deny is that the Reagan tax cuts fueled three decades of astonishing economic growth, producing one of the longest sustained economic expansions in American history. And that Reagan managed to change the terms of debate. Even Obama, as campaigner and president, operates within a framework defined by Reagan's reform of the tax system, not daring to float the notion of anything resembling a return to pre-Reagan rates, indeed promising no new taxes on individuals earning under $250,000 and muting or disguising such tax increases as may be necessary to pay for the enormous array of new social spending he is pushing.

In foreign policy, Reagan's defining achievement was a reorientation of America's approach toward the Soviet Union, which accelerated the process by which communism eventually collapsed, first in 1989 in Eastern Europe and then in 1991, bringing down the Soviet Union itself. Historians will continue to debate just how much credit should be given to the elements of Reagan's policy: the moral case he made against communism, his support for Soviet dissidents, his arms build-up, his ambitious plans for antimissile defense or the Strategic Defense Initiative (sdi), and his successful negotiation of the 1987 Intermediate-Range Nuclear Forces Treaty (inf), which substantially reduced the threat to Europe of nuclear conflagration. Gorbachev's reform and liberalization also played a role, as did of course the staggering decrepitude of the Soviet social and economic system.

What is clear, though, is that Reagan's policies fully reflected his fundamental and frequently expressed belief that communism, which killed upwards of 100 million in the 20th century in ruthless pursuit of utopian fantasies, represented, as he put it in his 1981 Notre Dame commencement address, "A sad, bizarre chapter in human history whose last pages are even now being written." Asked to elaborate at a press conference the next month, he asserted that communism "is not a normal way of living for human beings, and I think we are seeing the first, beginning cracks, the beginning of the end." In stunning contrast to the vast majority of journalists, policy analysts, and political scientists who fancied themselves vastly better equipped than the president to grasp the intricacies of communist doctrine and Soviet politics but were caught by surprise by the Soviet Union's swift demise, Reagan turned out to have been, as Hayward puts it, "exactly correct."

To be sure, there were bad moments and defeats, and Hayward tells their story. Reagan was unable to control the deficits, which ballooned under his stewardship. Instead of using his commanding front-runner status in 1984 as an opportunity to consolidate the case for conservative reform, he conducted a complacent campaign. In 1987, he proved unprepared when his nomination to the Supreme Court of the distinguished legal scholar and jurist Robert Bork was subjected to an organized and vehement attack by interest groups and legal academics of unprecedented proportions and ultimately rejected by the Senate. And most damagingly, Reagan's loose management style allowed the Iran-Contra affair, which involved selling arms to the Iranians and using the proceeds to covertly fund the Contras in Nicaragua, to spin out of control, resulting in nationally televised congressional hearings in the summer of 1987 and implicating the president in what several aides feared were impeachable offenses.

On the two greatest issues of his age, however, Reagan was right and he has been spectacularly vindicated by events. He saw the need to limit the growth of the welfare and regulatory state in order to unleash innovation and energy and make room for individual responsibility. And he recognized that communism represented no mere rival to liberal democracy but a profound menace to vital American national security interests, including the maintenance of a stable international order and the defense of human dignity. Both his staunch support for the market and his staunch opposition to communism emerged from his reflections on the primacy of individual freedom and the character of government most suitable to securing it.

At the same time, Reagan fell short of his grandest ambitions. In the preface, Hayward observes that the Reagan presidency presents "a case study in the difficulty of plotting a genuine change in the course of the nation's affairs." When all is said and done Reagan did not fundamentally transform America. Revolutionary as it may have seemed to critics, the Reagan Revolution shifted directions and altered priorities within a constitutional order and liberal political culture that it inherited and left largely intact. It did not undertake, much less effect, radical change. Notwithstanding some extravagant rhetoric, Reagan never sought to repeal the New Deal, kept in place a good bit of lbj's Great Society, and at best slowed the rate at which government continued to grow. Gary McDowell, now a professor at the University of Richmond and former Reagan administration Justice Department official, gets matters just about right, according to Hayward: "Domestically, Ronald Reagan did far less than he hoped, he did far less than he had promised, less than people wanted — and a hell of a lot more than people thought he would."

One of the least appreciated aspects of Reagan's achievement concerns the democratic character of his reinvigoration of the conservative case for freedom. In contrast to President Obama, whose campaign mantra of "hope and change" served to obscure his guiding political convictions, Reagan announced his principles forthrightly, explained repeatedly to the American people their practical political implications, and steadfastly sought to give those

practical political implications expression in domestic and foreign policy. And plainly apprising the people of your governing principles and then governing in accordance with them is a demand of democratic norms and in keeping with the dignity of a free people.

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