



## **The American Presidency Ronald Reagan Professor Sir Vernon Bogdanor FBA CBE**

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Ronald Reagan is the eighth President I will have spoken about, and many of them have been a pretty odd lot, I think! Indeed, I believe only three of the eight, including Reagan, could be described as normal people: Truman, Eisenhower and Gerald Ford. Perhaps it is not a coincidence that neither Truman nor Ford originally stood for the presidency but inherited it, and Eisenhower, as it were, was offered the presidency, by both political parties in the United States. It may go to show that anyone who actually seeks the presidency in America and is prepared to campaign for it is, almost by definition, very odd indeed. But there are none odder, surely, than Ronald Reagan, the subject of today's lecture.

In an age which celebrated youth, he was the oldest man to be elected President. He was nearly seventy when he took office. John McCain, if he had won the presidency, would have been older; he would have been 72. Reagan, instead of underplaying his age, mocked it. He used to say, when he opposed the wage and price controls introduced by President Carter but which had first been introduced by the Roman Emperor Diocletian: "I am one of the few persons old enough to remember that!" In 1984, when he was opposed by the youthful Walter Mondale, of Minnesota, whom he slaughtered in the election, he said: "Age should not be an issue in this election." He said, "I will not exploit for political purposes my opponent's youth and inexperience," and even Mondale could not resist smiling at that!

Much of Reagan's electoral support owed something to the religious revival in America, the growth of the religious right, and Reagan went along with that. When he met representatives of the religious right, he said, "You may not endorse me, but I endorse you." Unlike Carter, he very rarely went to church, and he is the only President so far to have been divorced. Reagan said he was born again, and he also expressed some scepticism about Darwinism and said he was a Creationist.

But most seriously of all, he had few of what people thought were the right credentials, perhaps the intellectual credentials, to occupy the White House. Many people who met him were quite amazed that he had ever got there. One comment that went around the Washington circuit while he was President was that of Clark Clifford, who had been Secretary of Defense under Truman, and had aided a number of other Democratic Presidents. He called Reagan "an amiable dunce". You may say that is biased because it comes from a Democrat, but Henry Kissinger, who was a Republican and the Secretary of State under Nixon, said: "When you talk to Reagan, you sometimes wonder why it occurred to anyone that he should be President or even Governor, but what you historians have to explain is how so unintellectual a man could have dominated California for eight years and Washington already for nearly seven." President Mitterrand said he was taken aback by Reagan's intellectual emptiness.

And yet, Ronald Reagan restored the presidency after four failed presidencies: Johnston in Vietnam, Nixon with Watergate, Ford and then Carter. Americans had seen, since the early 1960s, a President assassinated, a war lost, and humiliation in Iran, and seemingly, as many felt, a sense of breakdown in American society. There was indeed, I think, in 1980, a sense of that breakdown. Jimmy Carter, whom Reagan defeated, said that there was a "national malaise in America, a malaise of the spirit". Reagan disagreed with that; he said that was blaming the people for the mistakes of Government, and he said, "I find no malaise, nothing wrong with the American people," and one of his aims was to restore American self-confidence and confidence in Government.

He won two presidential elections, very convincingly. In 1980, he won 51% of the vote in a three-horse race - Carter got 41% and the other votes were won by a third candidate, John Anderson. You can compare that with Obama, who won 51% in a two-horse race in the recent election. In 1984, Reagan

slaughtered Walter Mondale by 59% of the vote to 41% of the vote; he won 54 million votes and Mondale only 38 million.

He was the first President to complete two full terms since Eisenhower, and that is itself perhaps an indication of the restoration. In his inaugural speech, he paid great tribute to the President he most admired of the 20th Century: Franklin Delano Roosevelt. Indeed, some commentators called him after that "Franklin Delano Reagan". But people said this was rather odd, because his main aim was not to continue with the things Roosevelt had done, but to reverse the New Deal philosophy! He explicitly said that in his Inaugural. He said something that clearly Roosevelt would never have said: "Government is not the solution to our problems; Government is the problem. It is time to check and reverse the growth of Government. It is my intention to curb the size and influence of the federal establishment, and to demand recognition of the distinction between the powers granted to the Federal Government and those reserved to the States or to the people." People said, "Well, how can he admire Roosevelt so much if what he wants to do is to destroy his legacy?" The people who said that did not understand the way Reagan thought, because he did not think in terms of concepts or programmes; he thought in terms of individuals and individual stories. To him, Franklin Roosevelt was an individual hero. It was not so much what he had done, but simply his heroic triumph over disability. Incidentally, in one of his films, Reagan played a disabled baseball coach who managed to recover, so perhaps there was some empathy there as well.

Reagan thought, not as most intellectuals do, in terms of concepts, ideas or theories; he thought in terms of stories. This was what disconcerted people so much about him. In the early days of his presidency, Helmut Schmitt, the German Chancellor, came to visit him and gave him some talk and ideas about how he should deal with the Soviet Union, stressing the importance of the principle of détente, which Schmitt thought important but which Reagan did not agree with. Reagan listened very patiently for some time to this talk, and at the end of it, he asked Schmitt, "Have you ever heard the story about Mr Brezhnev, when he bought a very fine foreign car?" He said, "He bought this wonderful car from abroad, he imported it into the Soviet Union, and he showed it to his mother. His mother said, "Well, it's a wonderful car, but what are you going to do when the Communists get hold of it?" Schmitt really was slightly nonplussed because he had never met anyone like Reagan, who did not engage about the ideals or the concepts. He was not to be moved on those issues, what people argued with him; he was moved by individual stories. He always thought in those terms.

For example, when the Soviet Union invaded Afghanistan, the general view was that the American Embassy in Moscow should be closed and that America should break diplomatic relations with the Soviet Union. Reagan said, "Well, we can't do that." He said, "There are some Pentecostals who are taking refuge in the American Embassy in Moscow. What will happen to them if we close the Embassy there? Where would they go? They've nowhere to go." These were dissidents, if you like. He also once gave economic concessions to the Soviet Union in exchange for them releasing a dissident hunger striker.

When relations were broken off with Poland in 1981, after the military clampdown, he said, "We must get round the embargo, because there are Polish children who come to America for heart surgery, and if you break off relations, they won't be able to come anymore. Let's find a way of getting round it."

These are only some examples of how he thought all the time in terms of stories and individuals, and not in terms of the concepts and theories in terms of which most political leaders think of events.

But we do obviously have a problem, and this is the basic question this lecture is trying to answer, of how this apparent dunce achieved so much, or, as it was put by his Secretary of State, George Schultz, in his autobiography: "How could he know so little and achieve so much?" That is the answer I think we have to try and find.

Ronald Reagan was born in 1911 in Illinois. His father was an alcoholic and in poor circumstances, and, again, Ronald Reagan used to mock that. He said, "I was born in a small town in the Midwest, and I was in poverty before the rich folks got hold of it." He then said about Lyndon Johnson's war of poverty that "We declared a war on poverty, but poverty won." He managed to go to a fairly ordinary Midwestern college, but his best friends would not have called him a serious student or an intellectual, and, as he said, he spent most of his time studying sport and drama.

On leaving college, he became a sports caster on a local radio station, and then he decided to move to Hollywood and take his chances there. He said he invented acting experience for his CV, and said, "I decided that lying in a good cause wouldn't hurt." He became fairly well known for two reasons in Hollywood. The first was the films he acted in - he was a standard B movie actor and acted in 53 movies,

the best known of which was *Bedtime with Bonzo*. Bonzo was a chimpanzee who was being trained by a college professor, played by Ronald Reagan. Reagan used to mock that as well, and when people asked for photographs of him with Bonzo, he said, "I'm the one with the watch!" He was, therefore, a B movie actor. He got very annoyed when people called him that. He thought, firstly, that he was a quite good actor, but secondly, he thought much more highly of the acting profession than many of his critics, and he said it gave you qualities that were very valuable in politics: self-discipline, that you had to turn up to the set on time; and you had to do things - he said, "People don't want it good, they want it Thursday!" You had to do things properly. You had to get on with people, because if producers and directors did not like you, they would not employ you. He was sometimes mocked for *Bedtime with Bonzo*, but it usually rebounded on the people who mocked him.

When he stood for the governorship of California, Edmund Brown, the well-experienced Governor, said that when he had been working at Government, Reagan had been filming *Bedtime with Bonzo*, but he said that *Bedtime with Bonzo* made much more sense than what they were doing in the Governor's office! So he did well there. But even more importantly than that, people in California did not regard film acting as a low grade profession, so anyone who attacked it was seen as attacking something that was very important in California.

Reagan's second interest, apart from films, was politics. He was an obsessive and had this obsessive interest in politics from early days. He became an active trade unionist in 1947, and President of the Screen Actors' Guild in California. He was so obsessive, he became a shocking bore really; he talked about very little but politics. His politics gradually swung to the right, I suppose along with many Americans, certainly in California, at that time. He began as an orthodox Roosevelt Democrat, and the first time he voted Republican was in 1952, for Eisenhower, and then in 1960, he led a group of Democrats for Nixon, and from then on, he became a strong Republican. Two issues swung him to the right: the first was the threat of Communism, which no doubt he greatly exaggerated, but many did; and the second was very high taxes. He said that the taxes, the top tax rate of 91%, meant there was no point to him making more films, that he might as well just go home and play golf or do something else, and lowering taxes became an obsession with him.

He was a Republican of the right. He spoke in 1964 for Goldwater's doomed campaign, and in 1966, he became Governor of California. Very typically, when asked what his programme was as Governor, he said: "I don't know." He said, "I've never played a Governor before!" He was, in a sense, propelled into the Governor's mansion by the radical revolt of the 1960s, about which I shall say more in a few moments, but in particular by the student revolt in Berkeley, which swung many people to the right. He treated that with great good humour as well. One day, his car was mobbed by students, including a bearded youth put a cardboard placard before him saying, "We are the future!" and Ronald Reagan wrote on a bit of paper which he held up, "I'm selling my bonds! I'm selling my bonds!" He remained as Governor of California until 1972, with mixed success in terms of substance. He did not succeed in decreasing taxes. Indeed, the State budget doubled under his governorship, and in general, he did not achieve the results that he hoped to do, but nevertheless, his exposure as Governor of the most populous state in America made him almost immediately a presidential candidate. He thought of himself as a candidate in 1968. He did not foresee the resurrection of Richard Nixon - but few did.

In 1976, he committed what was thought to be an act of political suicide, by challenging a sitting President, Gerald Ford, for the re-nomination, and he came within a whisker of getting it. Ford only won by delegate votes, the votes of delegates who had not actually fought the primaries. If it had been just based on the primaries, Ronald Reagan would have got the nomination. But this put him in line for the nomination in 1980, which he won fairly easily.

However, his chances in 1980 seemed to be very poor, because Carter had tagged him as an extremist and said he would easily beat him. A leading Californian Democrat warned Carter not to make the mistake that every person he knew in California had made at some time or other: underestimating Ronald Reagan. Carter took no notice, and he made the grave error of agreeing to a television debate with Reagan, on the grounds that Carter knew so much more about policy that he was bound to defeat Reagan and make him look foolish, because Reagan knew very little about the issues. This totally backfired, as a result of Reagan's good humour, by which he made ignorance seem a virtue, because at one point, in a famous exchange, Carter said that Ronald Reagan had begun his political career by attacking Medicare, that is free medical care for the poor, and Ronald Reagan just waved his hand and said, "There you go again!" making Carter appear just a complainer and an obsessive nerd talking about facts continuously.

George W Bush used the same technique (perhaps he learnt it from Reagan) against Al Gore in 2000: whenever Gore gave lots of figures, Bush said, "I don't know where you get those figures from, you obsessives in Washington!" He said, "You're just inventing figures," and so on, although the figures were absolutely correct.

Reagan emphasised just one simple theme: he asked Americans to consider whether they were better off than they had been four years before. It was a difficult question to answer "yes" to because America was suffering from double digit inflation, unemployment at 10%, falling output and trade, and a sense of pessimism expressed, as I say, in Carter's idea that there was a crisis of the American spirit. As I also mentioned earlier, Reagan said that this was a rather grandiloquent way of blaming the American people for what was wrong.

But Reagan, in addition to those points, was a beneficiary of a revolution, but it was a conservative revolution. The revolution in the 1960s had seemed most obviously from radicals, who were opposed to the Vietnam War, opposed to the authoritarian running of the universities, opposed to the disabilities suffered by Afro-Americans, concerned about poverty and other such concerns. They were the people who, as it were, pressed themselves most on the public consciousness. But in retrospect, I think it is clear that if you look at America, and Britain too, the real revolutionaries were those not on the left but those on the right; that the stronger basis for overthrowing the consensus view came from the right. The revolutionaries were not the student radicals, but very respectable people, in three-piece suits, with respectable middle class jobs, who were talking about ending the Roosevelt legacy, of rolling back the frontiers of state control, reducing welfare provision and restoring American strength in the world. That was a more powerful stream of thought than anything that came from the radical left.

Those people were altering the Republican Party, which had traditionally been something like a country club party, for the better-off or elites; they were given a new mass base founded on a more nationalist, aggressive politics. It was a politics of neo-liberal economics, rolling the frontiers of the state back, with a greater emphasis on traditional moral codes. In the past, America had voted Republican when it wanted stability and calm. Now it seemed to be voting Republican, under Reagan, when it wanted some radical change; it was highly dissatisfied with the status quo, not because it wanted to preserve the status quo. New Deal liberalism was itself becoming, as it were, an elitist philosophy, and conservatism was becoming populist; it was reflecting all sorts of popular frustrations which the New Deal coalition seemed unable to deal with.

Those frustrations, as I mentioned in an earlier lecture, featured as an important part of Nixon's presidency. Nixon was so effective in Republican politics because he not only shared the view of those who felt frustrated, he was himself a frustrated individual in that sense; he himself felt excluded by the elitists, as he saw it, of the New Deal era. He was one of the people, from that point of view.

Part of this revolution was a religious revolution. No sociologists, as I understand it, certainly predicted the rise of religion in America or a number of other countries, nor really why it occurred, but by the time Ronald Reagan became President, five million Americans were Evangelicals and 40% of Americans claimed to be born again. They of course were very strongly supporting Ronald Reagan.

One of Ronald Reagan's cheerleaders summed up what he was doing, in a way that was very different from traditional Eisenhower-type conservative republicanism; he said, "We want to change the existing power structure. We are not conservative, in the sense that conservatism means accepting the status quo. Today isn't the same as the 1950s, when conservatives were trying to protect what was constitutionally and morally in the control of more or less conservative people." In fact, the "Reagan Revolution", if one calls it that, was to be the greatest attack on the status quo since Roosevelt himself. That revolution not only propelled Reagan to the White House, but put the Republicans in a majority position in the United States. Today they might be losing it of course, but for many years they had a majority position. In 1980, when Reagan won the presidency, Republicans won the Senate for the first time since 1952. Then, in the 1994, after Reagan had gone, they won the House of Representatives for the first time since 1952, and they then won it again in 1996, consecutively, for the first time since the 1920s. So the Republicans were becoming the majority party in America.

Ronald Reagan concentrated on just a very few major issues, and the rest he dismissed from his mind and he expressed no interest about them. He failed to recognise his own Secretary of State for Housing and Urban Development in a meeting. He went over to him and said, "Nice to see you, Mr Mayor!" Part of the reason for that was that housing and urban development matters were very low on his agenda; I won't say it did not interest him, but he did not think they were the key matters he could deal with. He thought he

could deal with two or three matters only, and he ought to devote his attention to those, and he certainly was not going to do what Carter did, which was stay up all night working at the presidency. He said, "It's true hard work never killed anyone, but I figure why take the chance!" Once, when he was photographed sleeping in the presidential airplane, he said, "We're only really meant to do that at Cabinet meetings!"

His first major plan was to reduce taxes and increase defence expenditure. He said, if you reduce taxes, possibly revenue will decrease, but certainly you will release the animal spirits, if you like, of the American people - they will be more willing to work, to invest, to hire and everything else. He reduced income taxes by 30% from 1981, over three years, cutting a vast sum from the Carter budget, but at the same time, he raised defence spending very considerably, restoring new weapons systems that had been abandoned by Carter. So at the same time as he had the largest tax cuts the country had ever seen, he increased defence spending very considerably. He reduced the budget of many federal programmes, some of them helping the working poor, such as food stamps and student loans, but he did not touch what you might regard as the core of the welfare state, which is social security or Medicare, despite his rhetoric against them. You will not be surprised to hear, if you are reducing taxes and increasing defence expenditure, that it is obvious that you are budgeting for a large deficit. This was the sort of thing it was thought left wingers did and not conservatives, and so his conservative supporters became very disillusioned with him. He answered them, again in a typical one-liner: "Don't worry about the deficit; it's big enough to take care of itself!"

The budget Reagan produced in 1981 was highly controversial and very difficult to get through Congress. Indeed, Reagan might not have got it through had it not been for an assassination attempt, which came very near to success, in March 1981, which won him great sympathy in the country. It was not just that he escaped it, but the very good spirit and good humour with which he treated it. In rather desperate circumstances, when it was now clear that the bullet missed his heart by a very narrow margin and when he was bleeding profusely as he was going to hospital, before he elapsed into unconsciousness he said to the surgeons who were waiting to operate on him, "I hope you're all Republicans!" When he woke up, he must have been very shaken - he was, after all, a man of seventy, and there were tubes in his throat, he could not speak - but he wrote on a card a line that he had got from W.C. Fields: "All in all, I'd rather be in Philadelphia!" He referred to the assassin, a man called John Hinckley, as "a mixed up young man from a fine family".

Reagan had a skill, which Carter lacked, that he was able to court Congress, and he did not think it beneath his dignity to do so. Carter thought it was below his dignity to do this and so he never established good relations with Congressional leaders. Reagan was on good terms, even with people opposed to him. Indeed, one of his problems was that he seemed to like everyone, with no discrimination of any kind. He promised that he would not campaign against Democrats who supported it, and kept to that promise, and it was said he had talked to more members of Congress in his first thirty days in office than Carter did in his entire term. So the policy that was called "Reaganomics" proved successful. Reagan never liked that phrase; he said it sounded like a fad diet or an aerobic exercise, but he got that programme through.

By the end of his term, there had been massive cuts in federal programmes, and it was clear that his goals were incompatible, and the National Debt had tripled to \$2.6 trillion, partly due to the fact that Congress insisted on maintaining certain social programmes that Reagan wished to cut. The bad side of this is best summed up by the Democratic Governor of New York, Mario Cuomo, who said that, "At his worst, Reagan made the denial of compassion acceptable." There were certainly cuts in programmes for the poor, and Reagan, although he seemed sympathetic to the poor in person, when he met them, people who were badly off, he did not seem to understand the concept of a category of the poor.

He once annoyed the Democratic Speaker, Tip O'Neill, whom he got on very well with otherwise, when he said that, "The unemployed just don't want to work." O'Neill said: "That's a lot of baloney! - The guy in Youngstown, Ohio, who's been laid off at the steel mill and has to make his mortgage payments, don't tell me he doesn't want to work! Those stories may work on your rich friends, but they don't work on the rest of us. I'm sick and tired of your attitude, Mr President, and I thought you'd have grown in the five years you've been in office, but you're still repeating these same simplistic explanations." It was true; Reagan's explanations were always simplistic. He was sometimes tasteless. He made a speech saying, "We are told that many people in America go to bed hungry. They probably do - they're on a diet!" He lacked compassion for groups and people as a whole, but if he had met an individual who was badly off or hungry, he would help out. He understood stories; he did not understand anything much larger than that.

The good side of his programme was that inflation was down by the end of his term from 13.5% to just

under 5%. Unemployment fell from 7% to 5%; 7 million new jobs were created by Reagan's economic philosophy. Alan Greenspan, who later became Chairman of the Federal Reserve, said, of all the Presidents he knew, Ronald Reagan instinctively understood markets best, in the sense that Greenspan understood it, that markets were self-correcting and that they provided the dynamic for economic growth. So anyway, that philosophy did last; it lasted - and you had got a similar philosophy in Britain with Margaret Thatcher - until last year, so it had a fairly good run, and it was represented by Ronald Reagan.

The economy was Reagan's first concern, and as I say, his main concern was to lower taxes, and he pinned on the Democrats the image of being the hard high-taxing party. In the 1984 debate he had with Walter Mondale, he said to him at one point: "You're taxing my patience!" He said, "But why should I give you another idea?! That's the only tax you haven't thought of!" That, therefore, I think, accounted for a Republican dominance in the '80s and '90s: it corresponded with the feelings of the majority of Americans, who of course were very comfortable.

The second area on which he wanted to make an impact was in relations with the Soviet Union, where he also hit a new tone as compared to previous American Presidents. In 1983, he famously called the Soviet Union "an evil empire", and whereas previous Presidents, perhaps especially Nixon and Carter, had seen America and Russia as two, as it were, co-equal adversaries trying to come to terms in the world, Reagan saw it as a rather Manichean battle between good and evil. He was rebuked by Richard Allen, his National Security Advisor, for not having a strategy for dealing with the Soviet Union. Allen, again, was someone who made the mistake that Helmut Schmitt made, of outlining ideas and a strategy to Ronald Reagan, which was always a grave mistake. Ronald Reagan - he used to eat jelly babies while people were talking to him - said nothing at all until they had finished. There was a long outline from Richard Allen of what his strategy might have been, and he said, "You know, Richard, you're wrong. I do have a strategy towards the Soviet Union." He said, "What is it, Mr President?" To which Reagan replied, "My strategy is we win and they lose!"

Ronald Reagan was influenced by one idea, and it was this: he thought, contrary to much conventional opinion, that the Soviet Union was an economically powerless state. He took on board, from figures from the national security agencies, that the rate of growth in the Soviet Union had been declining steadily since the 1950s, and was less than half in the 1980s of what it had been in the 1950s, and that although one fifth of the population was employed in agriculture, it was unable to feed its own people. He said, as a result of this, and because the Soviet Union was so over-centralised, the Soviet system was doomed.

He made a very remarkable speech in London, in Westminster Hall in 1983, in which he said this: "In an ironic sense, Karl Marx was right. We are witnessing today a great revolutionary crisis, a crisis where the demands of the economic order are conflicting directly with those of the political order," (which is what Marx had said about capitalism), "but the crisis is happening not in the free, non-Marxist West, but in the home of Marxism/Leninism, the Soviet Union. It is over-centralised, with little or no incentives. Year after year, the Soviet system pours its best resources into the making of instruments of destruction. The constant shrinking of economic growth, combined with the growth of military production, is putting heavy strain on the Soviet people. What we see here," (and this is language directly taken from Marxism), "is a political structure that no longer corresponds to its economic base, a society where productive forces are hampered by political forces." In other words, the Soviet system was inherently self-defeating, just as Marx had said that capitalism was self-defeating, because it could not foster economic vitality. That was his approach to the Soviet Union.

He was determined, by heavy defence spending, to ensure that the Soviet Union could not match it and would therefore break down. In March 1983, he introduced a Strategic Defence Initiative, the famous SDI, nicknamed Star Wars, which was an initiative by which nuclear missiles could be shot out of the atmosphere so as to render the Soviet nuclear force redundant, and for the Soviets to keep up with it, they would have to spend huge sums of money. Indeed, by 1988, the Americans had spent \$12 billion on it.

It was at this stage that he won his very successful second term, and then, at the beginning of his second term, came his worst setback, which could, if the facts had been known, have led to his impeachment - the so-called Iran-Contra scandal.

The Iran-Contra scandal arose when the Iranians took Americans hostage, and the Americans had to consider how to get them out. The policy of the Reagan Administration was, in the President's own words: "The United States gives terrorists no rewards. We make no concessions. We make no deals." Contrary to that policy, it became clear that arms were being sold to Iran through the Israelis, who at that time were on moderately sympathetic terms with Iran, and that the profits from the sale of these arms were going to

the right wing rebels in Nicaragua against the left wing's Sandinista Government. All this was being done secretly, without Congressional knowledge or consent, and it violated, at the very least, the American embargo on arms sales to Iran, and, if known, it would have been said to be rewarding terrorism and the taking of hostages.

Reagan, it first appeared, did not have prior knowledge and when the issue was first brought up, he dismissed it with his usual one-liners and amusing comments - that people must have got it wrong, he was confused and they must have misunderstood what he had said, and so on. But then, in the summer of 1987, in the Senate hearings and after Reagan had left office in 1989, it emerged that Reagan had known and had probably authorised the operation. He could have been impeached, had that been appreciated at an earlier stage. Regardless, the policy did not work. The Iranians freed hardly any hostages, and in fact took more, because they were being rewarded by taking hostages with arms that they needed for their war against Iraq. Incidentally, it was at that time that America tilted towards Saddam Hussein in the war against Iran. The contras in Nicaragua did not succeed either. Sandinista remained in power.

Reagan's ratings fell very heavily from 67% in 1985 to 46% in the next year, and Reagan had to put on an act, saying that he was deeply confused, that he did not know what had happened and people must have misunderstood. But it was a terrible breach which was arguably as bad, if not worse, than Watergate, but Reagan managed to escape from it.

He was rescued, oddly enough, by the great enemy, the Soviet Union, and by the new leader of the Soviet Union from 1985, Mr Gorbachev, with whom Reagan established very good relations. So, at the time Reagan left office, his rating was the highest of any American President since Roosevelt - it was 67% - and he was very lucky to have been able to achieve that.

When he met Gorbachev, Reagan said, as Margaret Thatcher did, "This is a new sort of Communist. This is someone we can do business with." In particular, Reagan said, "The purpose of my SDI is not to escalate the arms race, but, by contrast, to end it, because if you have a world of nuclear weapons, at some time, they are going to be used." He said, "A nuclear war can never be won, and must never be fought," and therefore he hoped that SDI would render nuclear weapons obsolete and unusable, and therefore that the two Super Powers could negotiate the reduction of nuclear weapons and eventually a world free of nuclear weapons. This was a remarkable and radical vision, which annoyed many of his conservative allies, and probably a left wing President who had said that would have been considerably vilified, but Reagan saw something that many others I think did not see, that arms control was not an end in itself, but a means to the end of the Soviet Union. He saw that if he could negotiate with Gorbachev, he could gradually end the Soviet Union. In the last years of his presidency, he adopted a highly confrontational style of risk-taking diplomacy at a time when the Soviet Union was unfreezing. In the whole period of containment, from the time of Truman, you were dealing with a frozen system. You might have been able to stop it freezing by initiatives before perhaps 1950 or perhaps after the death of Stalin in 1953, but after that, it would be very difficult to imagine any initiatives succeeding, but here, Reagan saw that the Soviet Union was unfreezing. When he visited Moscow in 1988 to visit Gorbachev, he was asked whether he still saw the Soviet Union as an evil empire, and he said, "Another time - that was another time; that was another era." With Gorbachev, Reagan succeeded in achieving negotiations that brought about massive reductions in missiles, the INF Treaty. Shortly after the end of his presidency, the USSR disintegrated in a way that no world power had ever disintegrated - so rapidly and totally, without actually losing a war.

What Reagan achieved in foreign policy was to liberate American initiative and self-confidence. When he came to power, America seemed on the defensive, after the end of the Vietnam War, and it seemed that the Soviet Union was making gains through its surrogates in various parts of the world - Angola, Ethiopia, Cambodia, Afghanistan, possibly even Iran - but that all ended, and by the time Reagan ended his presidency, the American system, or some form of democracy, seemed the way of the future. This did not apply just to the Soviet sphere, but Reagan actually encouraged authoritarian countries in the non-Communist field to liberalise themselves. Pressure was put on General Pinochet in Chile to have a referendum and free elections, which he lost, and then President Marcos of the Philippines was also pressed to establish a democratic state, although of course that meant intervention and, as you can see, the Reagan doctrine posed great problems for later American Presidents, particularly perhaps George W Bush.

At any rate, shortly after Reagan's presidency, things began to swing America's way. In 1989, the Soviet Union withdrew from Afghanistan. In 1990, the Vietnamese ended their occupation of Cambodia, and there were elections there in 1993. In the same year, the Sandinistas in Nicaragua in fact accepted free

elections, and that was the first time a Communist Government anywhere had voluntarily agreed to free elections. In 1991, Cuban troops were withdrawn from Angola, and the Communist-backed Government in Ethiopia collapsed. But as I say, this raised very serious and difficult questions for later American Presidents: should the US intervene to secure democracy; if so, where; how could America do that and retain its liberal credentials?

I want to conclude by saying that Reagan was like Roosevelt, a realigning President. He did two things that Roosevelt did. He redefined, for better or worse, the relationship between the individual and the state, and the next Democratic President, Clinton, told Congress in 1996, "The era of big Government is over." Clinton accepted the Reagan reforms, much as New Labour accepted Margaret Thatcher's reforms. Indeed, you could argue that the left could only get back to power once they had accepted the reforms of the right wing. Secondly, like Roosevelt, but without a war, he won a battle against a tyrannical regime, the Communist regime, which collapsed very shortly after the end of his presidency. So these are two great successes that make him a realigning President. His one great failure was the Iran Contra affair.

I now want to answer the question I posed at the beginning, about how the amiable dunce could achieve so much. Reagan's second Chief-of-Staff, Donald Regan, said that the main problem in dealing with Reagan was that everyone thought he was smarter than the President. The American presidency is not about high IQ or we would be celebrating Jimmy Carter or Bill Clinton, Herbert Hoover or Nixon, as great Presidents - they all knew much more than Reagan - but it is about judgement and a sense of direction, as perhaps all political leadership is.

I quoted earlier on Francois Mitterrand's critical comment about Reagan, but he qualified it, and he said: "But, beneath the surface, you find someone who isn't stupid, who has great good sense, and profoundly good intentions. What he does not perceive with this intelligence, he feels by nature."

He was in no sense an administrator, but the presidency is not primarily an administrative position. What he did was, like Roosevelt, to give the country a new sense of direction. He showed that America need no longer be, as Carter and Ford had thought, ungovernable. He said at the end of his presidency: "We weren't just marking time; we made a difference." He saw the big issues in simple terms, in simple terms that much cleverer people made very complex. The Russian Ambassador during his period of office, Anatoly Dobrynin, said: "He grasped matters in an instinctive way, but not necessarily in a simple one, and his key qualities were a sense of direction and a strength of convictions which concurred with the needs of the time, as seen by many Americans." Only the President can bring coherence to that.

He was, in one sense, a man of ideas, but the ideas were expressed through anecdotes and not through concepts or theories. His ideas made the weather, that they created the agenda for later Presidents, just as Roosevelt did for the Presidents who followed him. You may argue, for better or worse, that George W Bush was a son of Reagan. He understood that the job of the President was not to manage or to run things, but to lead, to give a sense of direction, to make people feel differently about themselves and about the United States. That was Roosevelt's greatest achievement; whereas, much cleverer Presidents, like Hoover and Carter, saw the President as the nation's top administrator or problem-solver or engineer. That is a mistaken conception of the presidency. I think, as I said before, it is no accident that the two worst Presidents of the 20th Century, Hoover and Carter, had both been engineers, because they saw, once they had solved the problem, that was the solution, whereas Roosevelt and Reagan realised, once you had solved the problem, that was only the beginning, and the real problem is to sell it, if you like, or to persuade people to accept that solution and to accept the sense of direction in which you think they ought to go. This is what Reagan was very were skilful at doing.

Just as I said at the end of my lecture on Roosevelt, there was a sense in which we lived for many years, and perhaps still do live, in Roosevelt's world of self-determination and liberalism, which he perceived that during the 1930s and during the Second World War. I also think we live, to a great extent, in Ronald Reagan's world; that most of us think now that democracy is the way of the future and most of us believe, much more than we would have done I think before Reagan, in a limited role for Government, even after the credit crunch and the slump that is coming. He was not usually very grandiloquent or boastful, but at the end of his presidency said something which is important to consider here: "We meant to change a nation, and instead we changed the world." He said he had influence beyond his time and made America more confident in itself. Therefore I think that makes him a realigning President and as influential in American 20th Century history as Franklin Roosevelt.