



Welcome to US History Talks

And Module 7: Master of the World



.....

The Story so far

Module 1: Beginnings

1. Before Europeans (20,000 BC -1493)
2. Exploration & First Settlements (1493-1600)
3. Settlements to Societies (1600-1700)
4. British America (1700-1756)
5. Unity to Revolution (1753-1775)
6. Revolutionary War (1775-1783)



Module 2: Continental Empire

7. Creating the USA (1782-1793)
8. Federalist America (1793-1800)
9. Jefferson's America (1800-1808)
10. War of 1812 (1808-1815)
11. Era of Good Feelings (1816-1824)
12. Jacksonian Democracy (1824-1836)
13. New Spain Texas (1500-1836)
14. Continental Superpower (1836-1850)
15. California and Gold Rush (1848- 1850)



Module 3: Continental to World Power

- 16: Competing Destinies (1848-1854)
- 17. The Union Fragments (1854-1861)
- 18. Civil War (1861-1865)
- 19. Reconstruction & New South (1865-1900)
- 20. Conquest of the West (1860-1890)
- 21. Triumph of Capital (1865-1895)
- 22. A World Power Emerges (1895-1898)



Module 4: The Vacillating Giant

23. USA at dawn of 20th Century (1900)
24. The Progressives (1900-1917)
25. US and World War 1 (1917-1919)
26. Return to Normalcy (1919-1924)
27. Roaring Twenties (1924-1929)
28. Crash and Great Depression (1929-1940)
29. USA and 1930's World (1930-1941)
30. Isolation Interrupted 1939-1941)



Module 5: Leader of the Free World

31. USA and World War 2 Europe (1941-1945)
32. USA and World War 2 Asia (1941-1945)
33. USA and Post War World (1945-1948)
34. US during the 1950's (1952-1960)
35. Cold War (1952-1960)
36. Camelot (1960-1963)
37. Great Society (1964-1968)



Module 6: A Nation Adrift

- 38. Vietnam War (1960-1975)
- 39. USA during the 1960's (1953-1968)
- 40. Return of the Republicans (1968-1976)
- 41. US and World (1968-1976)
- 42. The Virtue Experiment (1976-1980)
- 43. US during the 1970's (1968-1980)

Preview : Module 7: Master of the World

Talk	Title	Time Period	Date of Talk
44	The Reagan Revolution	1981-1988	October 20th
45	Reagan and the world	1981-1998	November 3rd
46	Master of the World	1998-1992	November 17th
47	US culture and society 1980's	1980-1992	December 1st
47	Democratic Conservatism	1992-1998	December 15th
48	US and the post Cold War World	1993-2001	January 19th
49	Rise of the Right: US culture 1990's	1981-2001	February 2nd

Talk 44: Reagan Revolution

- From athlete to national celebrity
- Rise to power 1964-1980
- Reaganomics
- White House Life
- “War on Drugs”
- Consequences and legacy



Reagan: sportscast to movie star

Two views on Reagan

B Movie Star and cowboy with limited intelligence who corrupted America and nearly brought the world to war



514892424

Master statesman who "made America Great Again" and won the Cold War



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Ronald Reagan (1911-2004)



Ronald

Born in apartment Tampico Illinois
Father travelling salesman, mother
Homemaker, active in "Disciples of
Christ"...optimistic...Social Gospel

Family move to Dixon, small town
Father...dept store

Reagan memories: idyllic family, optimistic
...Despite father alcoholism
...dependency on New Deal
...father supports FDR
...progressive on race...95% white town
...KKK presence....blanked out

Mother influence "The sunny side is the
only side"...chooses baptism at 11
"deserving vs undeserving poort!"

Reagan (rented) family home Dixon, Illinois

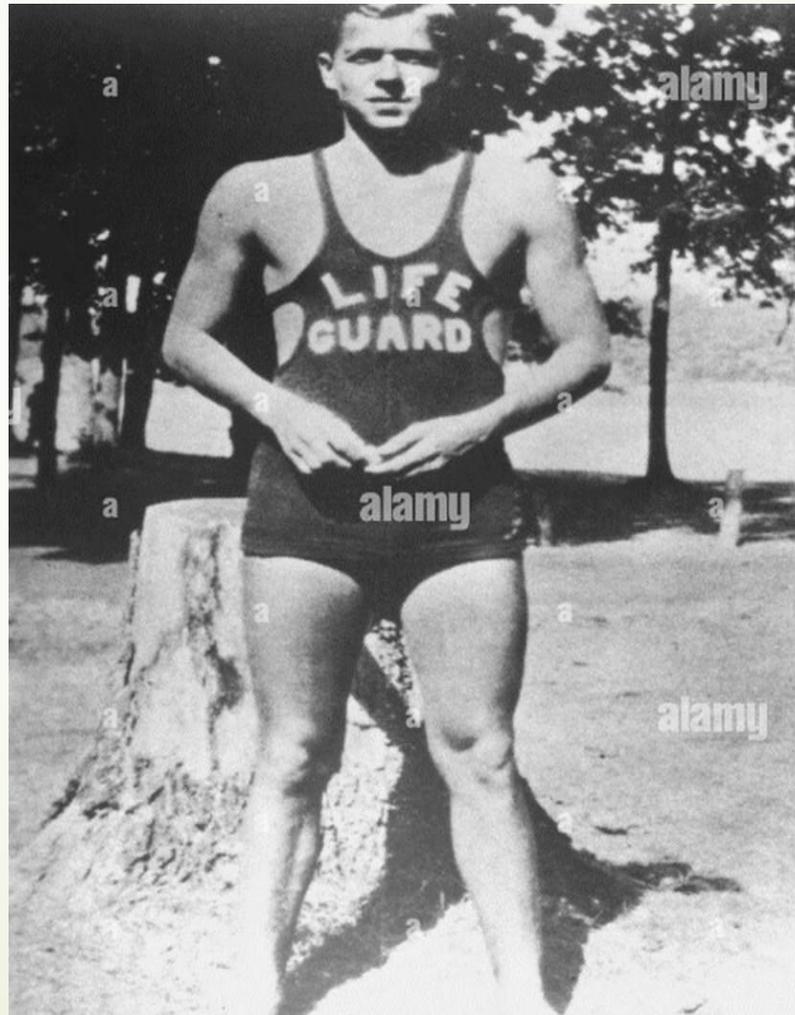


Reagan as young man

Field guard



Life guard



Mediocre student.

Popular, "everyone liked him"
School plays!

Field guard college
football team

Lifeguard at local river!
...credited with 75 rescues
....girls "throwing themselves
Into river to get rescued"

Reagan sports commentator



Radio job reporting
On college football

“Remote reporting”

Needs glasses to read
...learns to hide usage
In public

Travels to California for
Game....screen test
for Warner Brothers
...7 year contract

“B” Movie Star 1937---1941

machine production westerns



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Credit: John Kobal Foundation

Knute Rockne: All American Hero



Reagan..minor role as George Gipper
...star football player coached
By Knute Rockne..dies at peak
Of fame

Sanitised depiction

Most Popular movie of 1940
...”death bed scene
Reagan ...”The Gipper”

Hollywood family man



Marries actress
Jane Wyman 1940

Two children
...two careers

Hollywood image
...normal family

World War 2: “Culver City Commando” WW2

.....release Warner Brothers..training/ propaganda movies

.....remains based in California...commutes to “war”/ resents bureaucracy



Post war...successful movie star



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Credit: Hulton Archive

Actor and Advertiser
...disciplined, hard working, image fit

“My cigarette is the MILD cigarette... that’s why Chesterfield is my favorite”
Ronald Reagan
STARRING IN
“THE VOICE OF THE TURTLE”
A WARNER BROS. PRODUCTION

It takes ABC TO SATISFY ME!
says Picture Star Ronald Reagan

gettyimages
Credit: Blank Archives

When you smoke...
THE FIRST THING YOU WILL NOTICE IS THEIR MILDNESS
...that’s because of their Right Combination
World’s Best Tobaccos

**A ALWAYS MILDER
B BETTER TASTING
C COOLER SMOKING**

ALWAYS BUY CHESTERFIELD
They Satisfy

Reagan ...forgettable, well paid roles

....stock hero character...reliable..elected to Screen Actors Guild



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Credit: LMPC

Elected President Screen Actors Guild ...registered Democrat, resents Communist influence

Before the Committee 1948



Summoned to Congress
..Un-American committee

...claims communist infiltration
....does not name names
...crushes pro USSR union
...gets residual payments deal

Becomes GE spokesman
...promotes company across US
...becomes Republican

Divorced..Hollywood Bachelor

Nancy Davis (Reagan) 1921-2016)

Nancy 1950



Born Anne Roberts

- ...unstable family..divorced
- ...mother marries neuro surgeon
- ...moves to California
- ...assumes name of stepfather

Attends acting school

- ...successful supporting actress
-dates Hollywood actors
- ...meets Ronald after divorce

Brilliant partnership

-continues acting till 1959
- ...stern...love of fashion, jewels
- ...serious and terrifying to staff
-Reagan uses advice

Reagan continues...B movies
.....star 50's "Bed Time for Bonzo"



Nancy...multiple movie roles
...B List "film noir" and supporting roles

Night Into Morning

M-G-M

**RAY
MILLAND**

**JOHN HODIAK - NANCY DAVIS
LEWIS STONE - JEAN HAGEN**

WRITTEN BY KARL TUNBERG ... LEONARD SPIEGELGASS

DIRECTED BY FLETCHER MARKLE - PRODUCED BY EDWIN H. KNOPF

When
Dreams go
Smash - You can
Build a New
Life!

Mr General Electric TV Show 1954-1962



Hosts weekly TV Show
...seen by millions
....national institution

Combines tv/movie with
GE spokesman role
...increasingly conservative

Ratings decline 1962
...GE cancels contract

Retires to ranch in California

Reagan 1963...at California ranch
...wealthy, connected, good looking..ready for new role



Reagan the enigma

- ▶ Focused on “big picture” only
 - ▶ “Big Themes” (anti government, communism, individual freedom and responsibility)
 - ▶ Disinterested in process and outcomes
- ▶ Exceptional emotional Intelligence
 - ▶ Communication , memory, and networking
 - ▶ Infectiously optimistic and affable, pragmatic
- ▶ Detached,,,“Teflon Man”...nothing sticks
 - ▶ Delegates power to “trusted subordinates” screened by Nancy
 - ▶ Indifferent to civil rights, Aids victims, homeless, poor...
 - ▶ Friends to many, close to few....seen as remote by children

Reagan: becoming and projecting the wanted image



Rise to power 1964-1980

Reagan/ Goldwater

Reagan and Goldwater 1967



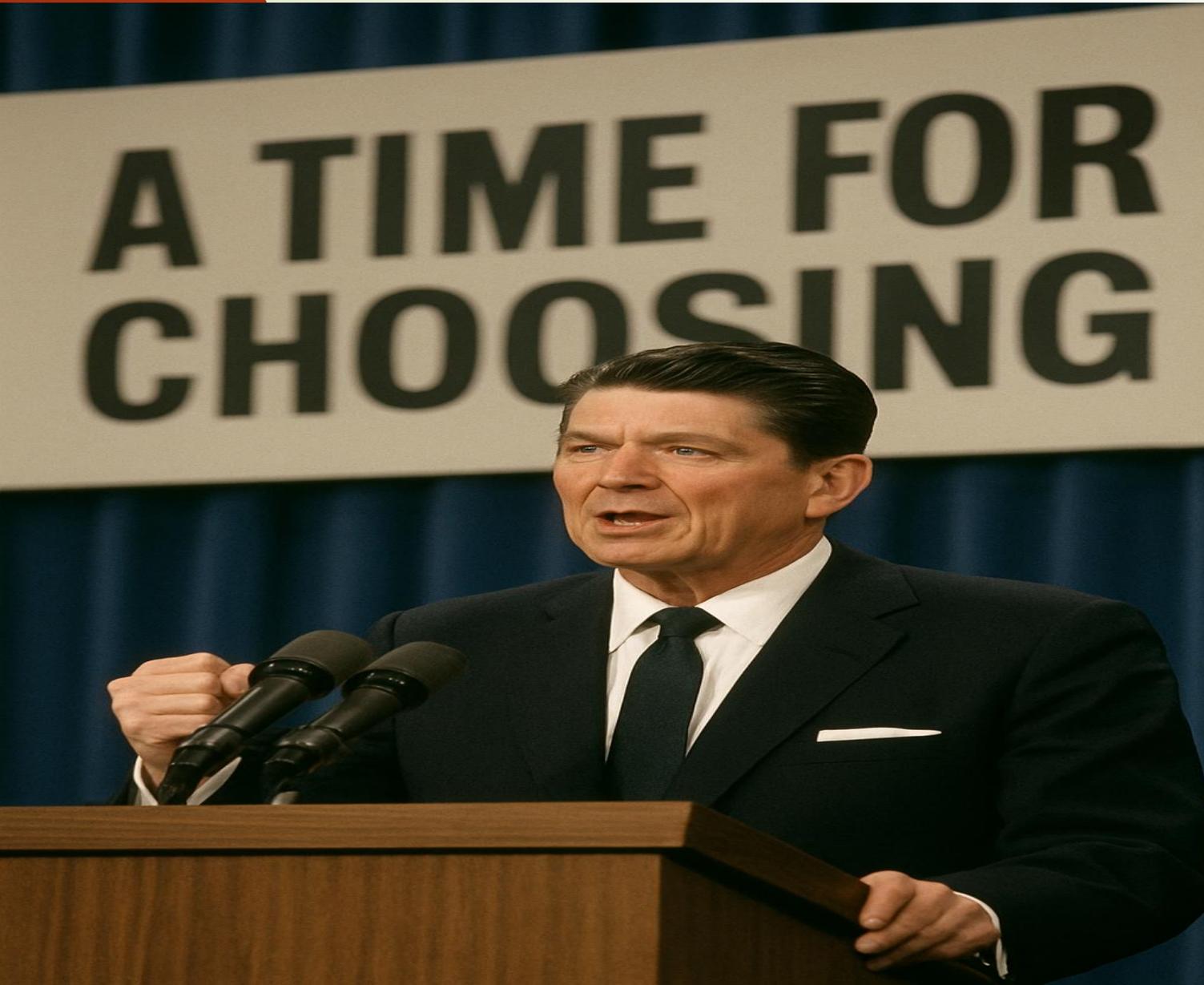
Goldwater 1964 ...”Hard Right”
... Cold War warrior
... Opposed to “Great Society”
....Anti “Civil Rights”

Becomes Voice of Conservative

Secures Republican nomination
1964 campaign

Reagan invited to give speech
support

Entry to Politics 1964



“Time of Choosing” Speech
...Wows audience
...”Who is the real candidate?”

Goldwater crushed in 1964 election

Republican leadership:
...Reagan the “new star”
...Runs for Governor of California

Reagan Governor of California

Celebrating victory 1965



California mid 1960 boom
...social turbulence”
...Watts Riot in LA 1965
...”Rumford Act” housing

Reagan candidate of “Right”
...announces Jan 1966
...portrayed as “extreme”
...”monumentally ignorant”

Moderates views.
...”Law and Order” programme

Wins 57% vote
But Democratic State Congress

Reagan as Governor (1966-1975)

- Re-imposes Law and Order at Universities: deploys National Guard
- Increases taxes....despite election promise
 - Raises State income, excise and property taxes during first term
 - Balances state budget/ Refunds tax surplus during second term
- Moderate social reforms
 - Bans carrying of guns in public, allows “therapeutic abortions”
 - Proposes welfare cuts and “workfare” ...rescinds when public rejects

Successful and popular governor: next target White House 1976

Reagan Presidential Candidate 1976

- ▶ 1968 Candidate for Nomination
 - ▶ Runs for President, gains only California support
 - ▶ Withdraws from race as Nixon leads
 - ▶ Supports Nixon during 1972 & Watergate...till release of tapes
- ▶ 1976 Candidate for Nomination.
 - ▶ Runs strong race vs Appointed President Gerald Ford
 - ▶ “Conservative” candidate vs Détente, continuation of Medicare
 - ▶ Law and order candidate

Undeterred.....optimistic.....gives speech “supporting” Ford
.....seen as future of party, voice of Conservatism

1980 Election



Carter discredited

...high inflation & unemployment

...Hostage Crisis ongoing

Offers"Sunrise in America"

...end inflation, boost economy

...cut taxes, reduce debt

..."Peace through Strength"

..."Make America Great Again"

Overwhelms "Progressive Republicans

..simple effective message ...optimistic

Selects opponent George Bush as
Vice President...unites party

US Presidential Election 1980

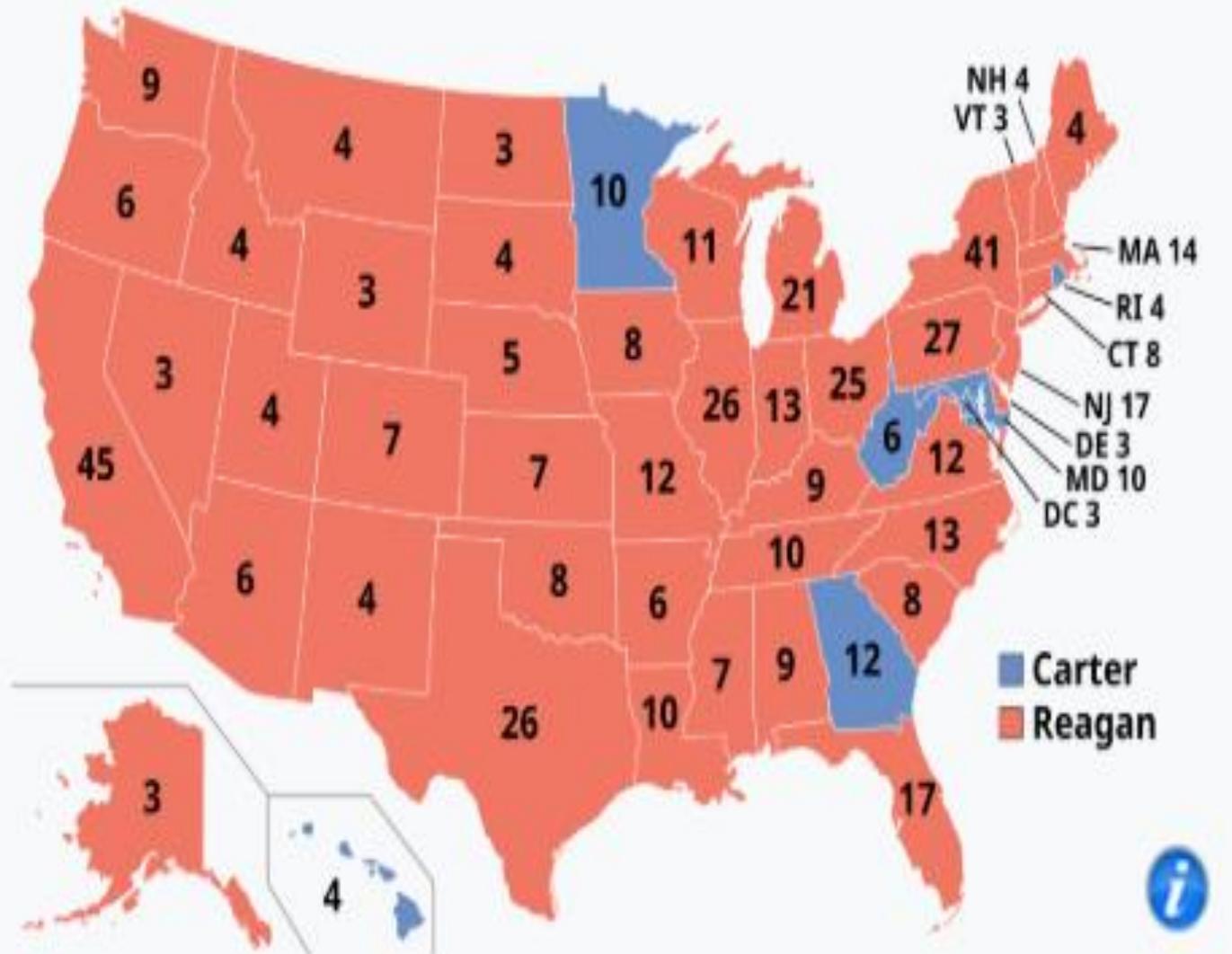
Reagan landslide

Wins 489 vs 49 electoral votes
51% vs 40% popular vote

Republicans win Senate
...first time since 1920s
...flip 12 seats...53 vs 46

Democrats retain House
Tip Oneill retains Speakership

Iran releases hostages during
innaguaration ceremony



Reagan inauguration January 1981



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Credit: Joe McNally

Victory night...Ronald and Nancy
... "Reagan revolution begins"



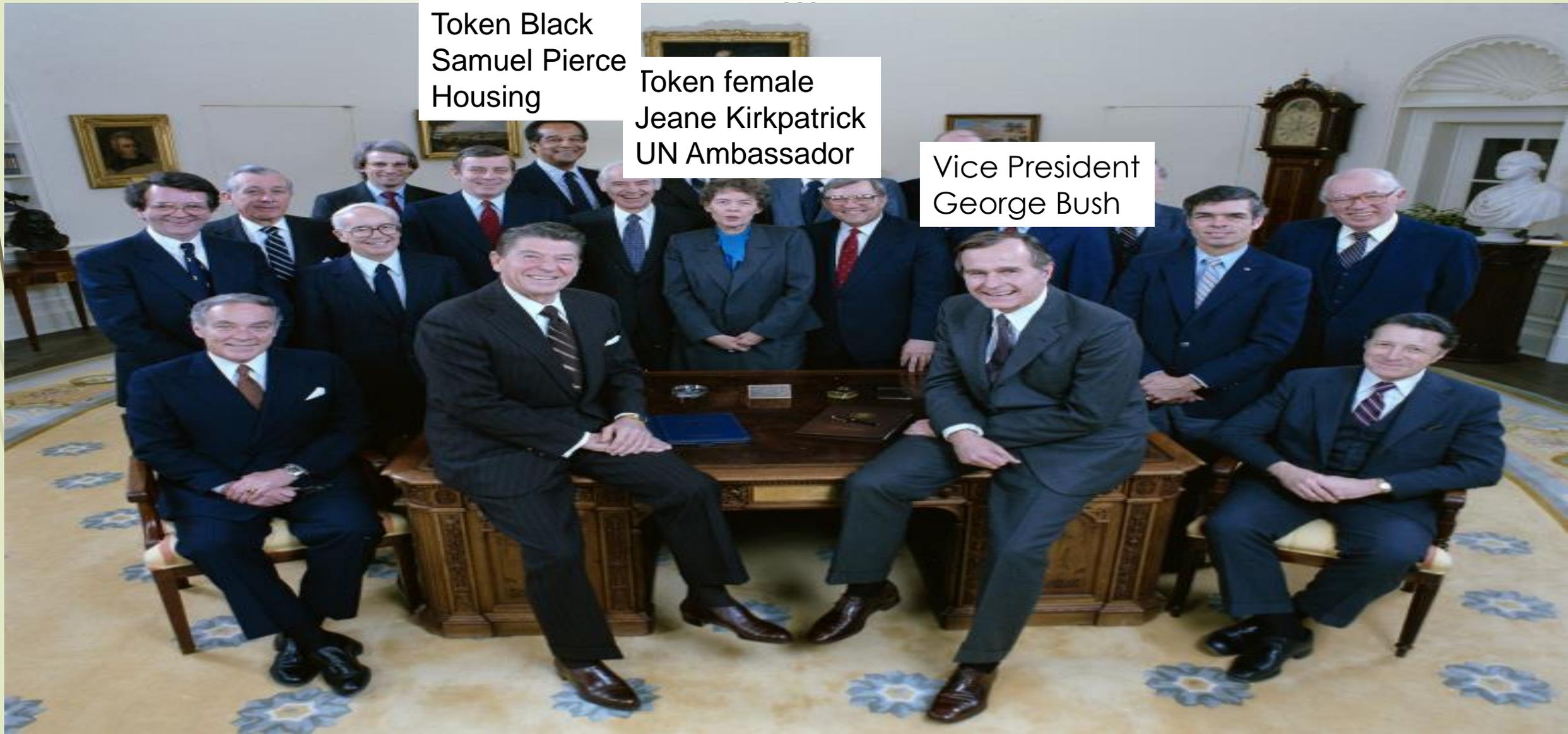
Reagan Cabinet...replaces "advisors"

.....delegates to (mostly) white men...relies on informal California business contacts

Token Black
Samuel Pierce
Housing

Token female
Jeane Kirkpatrick
UN Ambassador

Vice President
George Bush





Reagan administration 1981-1989

- Restore American self belief by fixing economy
- Impose law and order
- Shrink government
- Defeat communism.....Talk 45

Problem #1 Fix Economy



Reaganomics

New Economic Theory

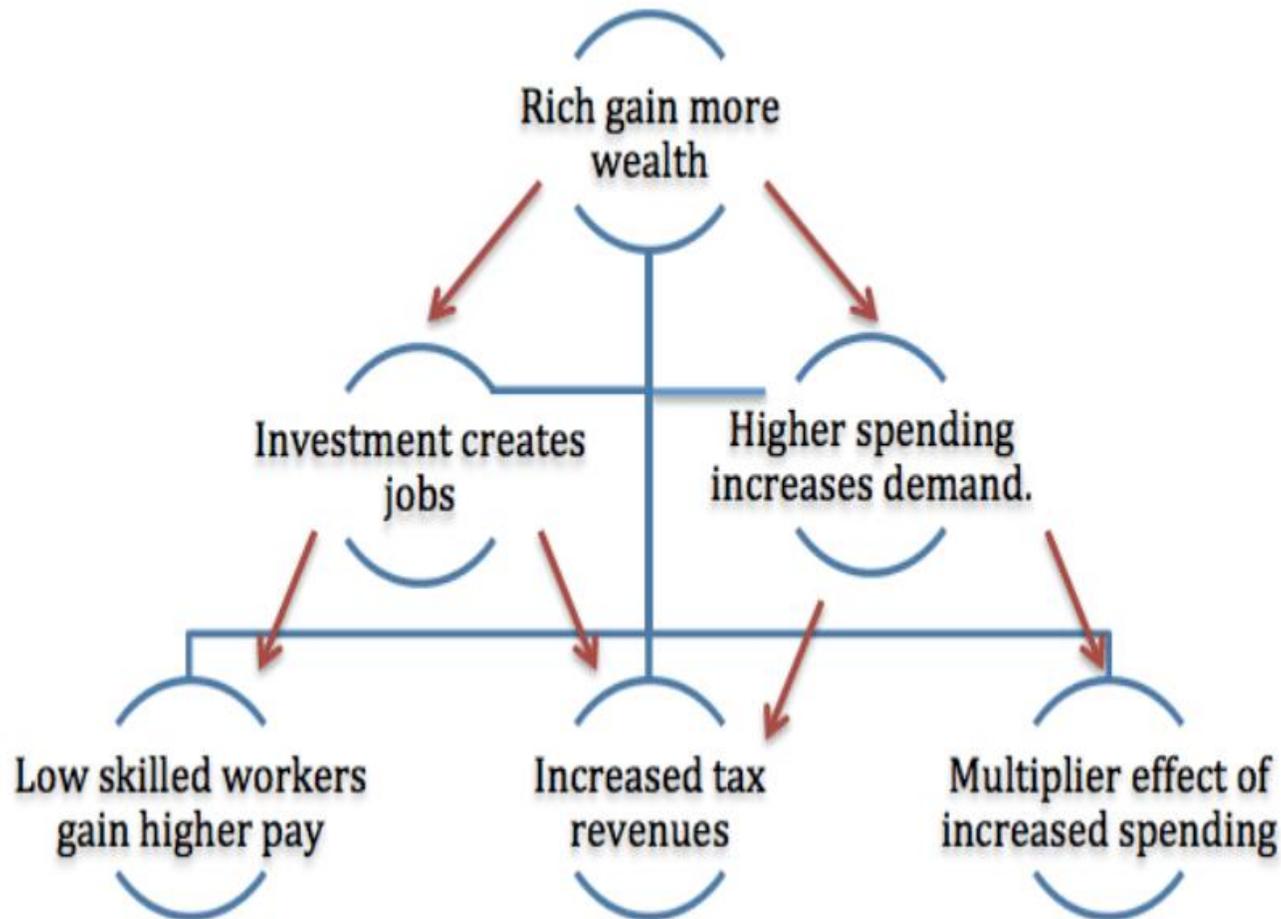
- ▶ Economic theory 1930-1979: "Keynesian"not working
 - ▶ Markets do **not** self correct...government must step in to prevent cycle
 - ▶ Downturns caused by lack of demand/ Government to increase/decrease
- ▶ New thinking..."Monetarism"Milton Friedman..adopted by Carter
 - ▶ Markets **will** correct, cycle "normal"
 - ▶ Govt rolereduce/ increase supply of money by rate increases
 - ▶adopted by Carter...enforced by Paul Volker...interest rates 20%, inflation 14%

Not enough for "new" Conservatives...Inflation 16%, interest 20%

Need more.....a "quick fix" "Supply Side Economics"

Supply Side Economics

Trickle down effect



www.economicshelp.org

The problem Supply, not demand

Reduce taxes on wealthy and business

Free markets crushing labour unions & deregulation

Reduce debt by reducing expenditure
....separate "worthy from unworthy pool"

Use increased receipts to fund
Defence & defeat Communism

This becomes "Reaganomics"

The Opposition: Tip O'Neill (1912-1994)

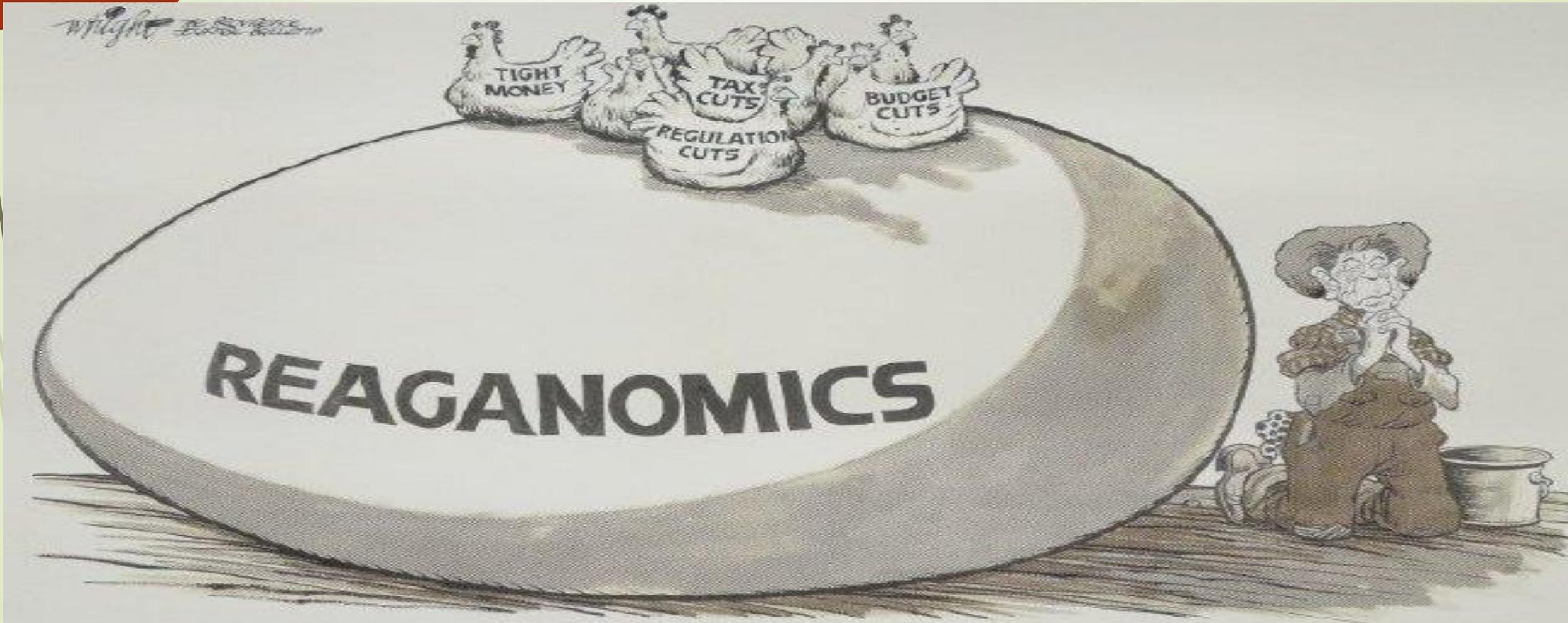


- ▶ Democratic Speaker 1977-1987
 - ▶ Dem Majority 247 vs 157
 - ▶ Big Government/ Great Society Liberal
- ▶ Considers “Reaganomicsnonsense”
- ▶ Blocks progress of bill/ defends Great Socie
- ▶ Reagan “respects rules...and Tip
....does not resort to “Executive Orders”

Oneill view on "Trickle Down Economics"



Negative public reaction....Congress b



Reaganomics going nowhere until.....an unexpected event

March 1981.....on way to meet Oneill



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Credit: MIKE EVENS

1883328804

...seconds later.....



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Credit: Bettmann

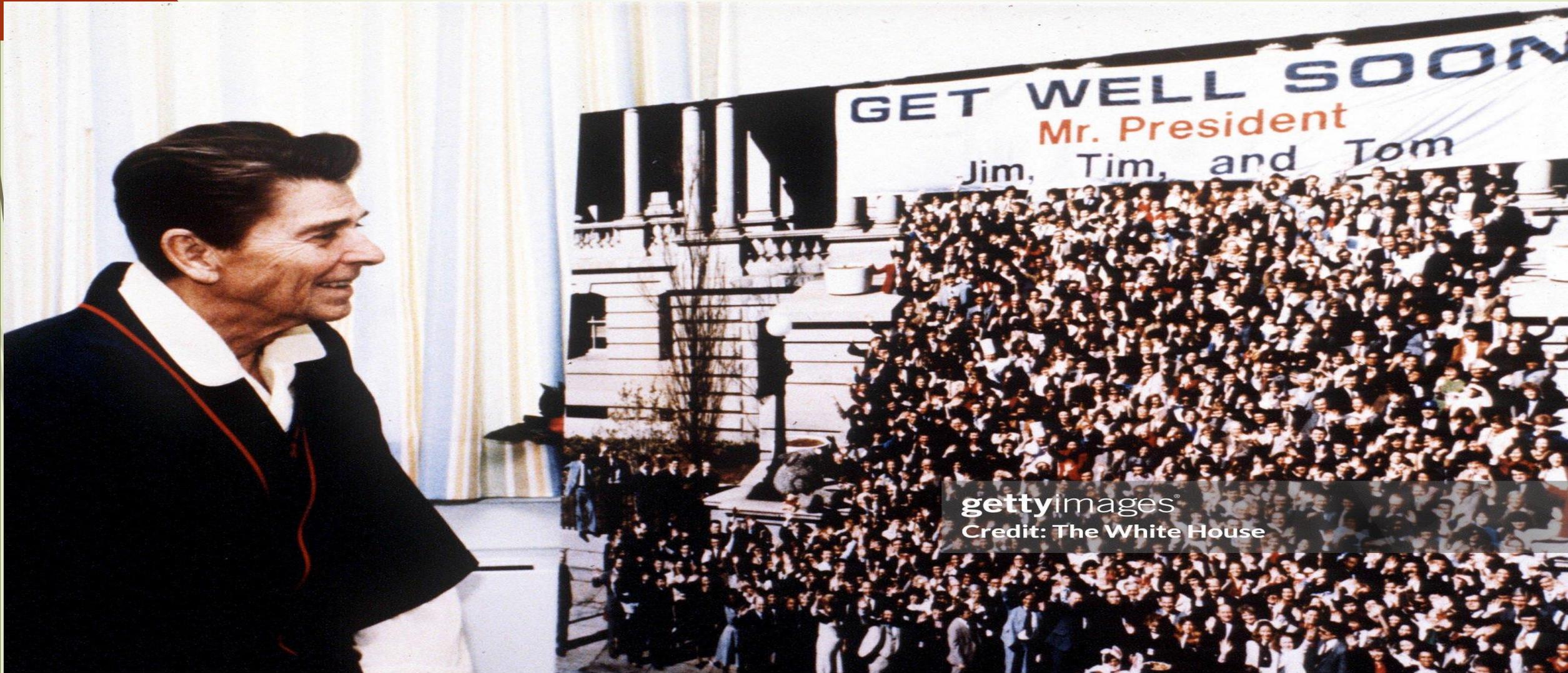


Reagan the irrepressible

- On seeing wife at hospital “Honey, I forgot to duck,”
- On seeing doctors.....”Please tell me you’re Republicans.”
- “There’s no more exhilarating feeling than being shot at without result.”
- To a nurse who told him to “keep up the good work” of his recovery: “You mean this may happen several more times?”

Overwhelming public support and bi-partisan support

Overwhelming national support



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Credit: The White House



F 354390 053 APRIL 1981 USA
RONALD REAGAN RECOVERS IN THE HOSPITAL AFTER AN ASSASSINATION ATTEMPT.
PHOTO: WHITE HOUSE/LIAISON AGENCY

Leaving hospital



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Credit: Historical

Reagan resumes campaign ...resistance crumbles



Economic Recovery Act 1981



Act approved..with Tip O'Neill
Congress approved august 1981
..Top rate reduced 70% to 40%
..Reduce corporation inheritance

Budget cuts follow

...Reduce food stamps
...Mental Health/ Welfare

Volker Shock continues

...interest rates up to 20%
..inflation to crushed

Reagan revolution begins

....for good or ill



Intermission



Reaganomics (continued)

De-Regulation Initiatives

- ▶ Transportation...removed price controls to airlines & trucking companies
- ▶ Oil and Gas....removed price controls....encouraged production, abandon alternate fuels.....scrap Carter diversity initiative
- ▶ Reduced Labour protections..allowed use of strike breakers
- ▶ Environment....relax standards, reduce monitoring
- ▶ Finance: reduce oversight, audits, eliminate lending restrictions

Existing market disrupted....multiple bankruptcies, wage cuts
....impacts varied....benefit consumers....not “workers”

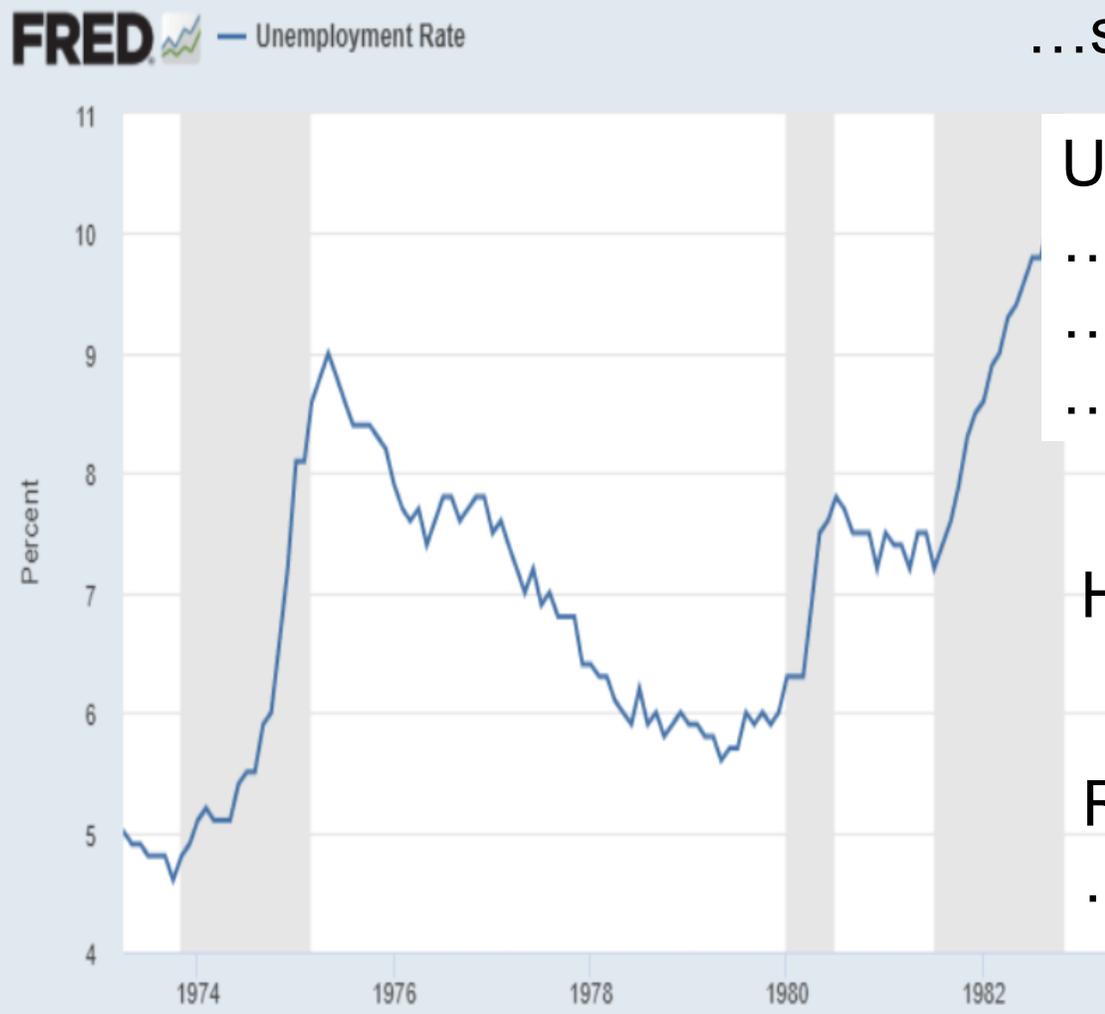
The “monetarist” Recession 1981-1983

Unemployment rises to 11%

Interest rates 20% , strong dollar

...rise in imports/ fall exports

...stocks fall 10% 1981



US industrial centers hit hardest

....2.7 million auto workers laid off

....Steel mill 40% (150,000)

....Tool makers 200,000

House prices collapse 30% 1980-1984

Reagan and “Reaganomics” sinkingfast

....Democrats increase majority 1982 mid terms

Crushing the unions

PATCO demonstrators 1981



Industrial unions decline
...rising unemployment
...business relocations
...pay cuts accepted

Deregulation of airlines/haulage
...opens markets to competition

“Battleground public sector
13,000/17,000 traffic controllers strike

Reagan fires all strikers
...strike “illegal”

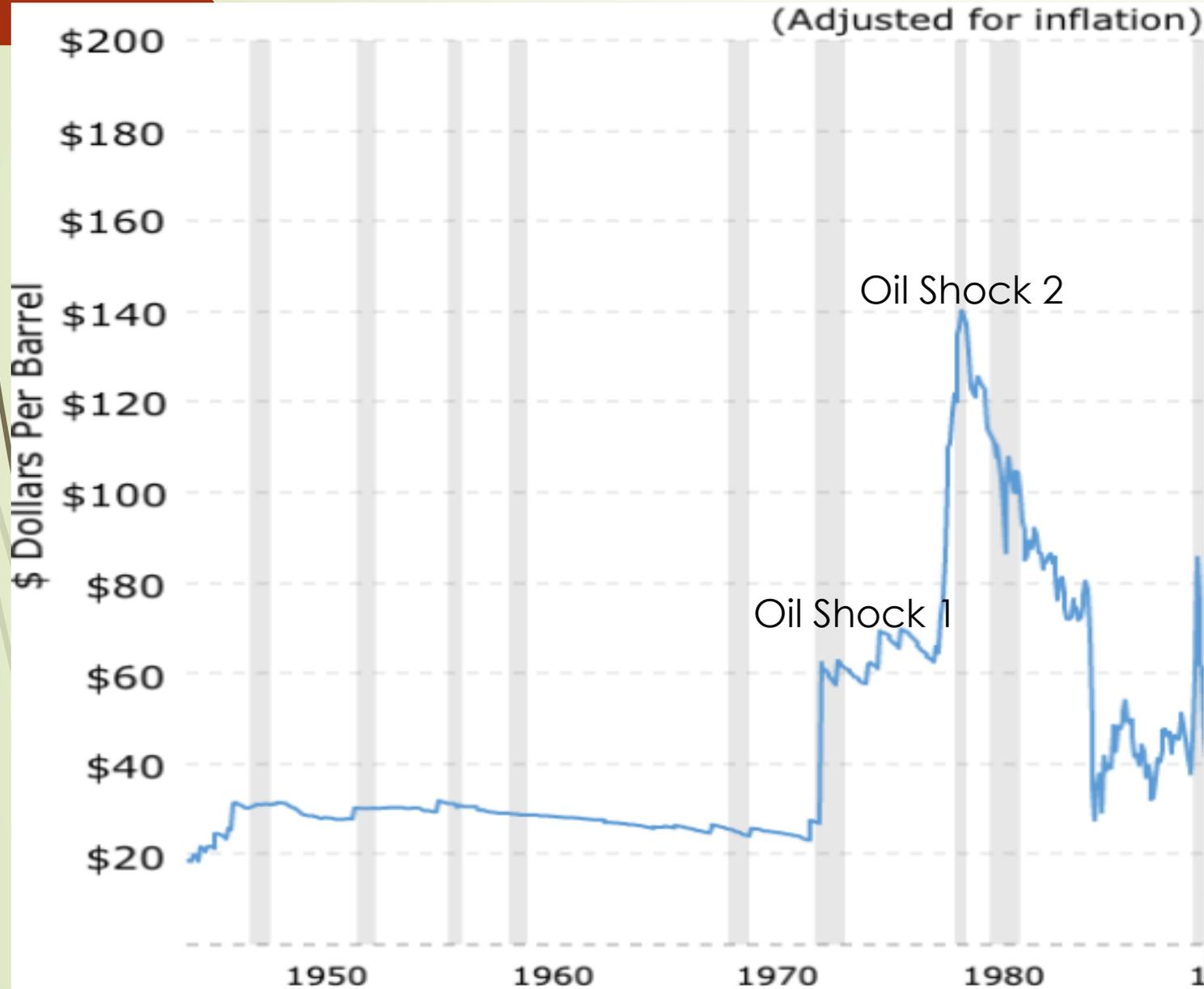
..rapid training new staff/ automation

Reagan follow up:

.... “union Obstacles to progress”

.... pro business in Labor Relations

Then Oil Price starts to decline



➤ Reduced demand: fuel efficiency

➤ Increased international supply

➤ Saudi expansion

➤ New fields Mexico/ North Sea

➤ Iran/ Iraq increase supply to fund war

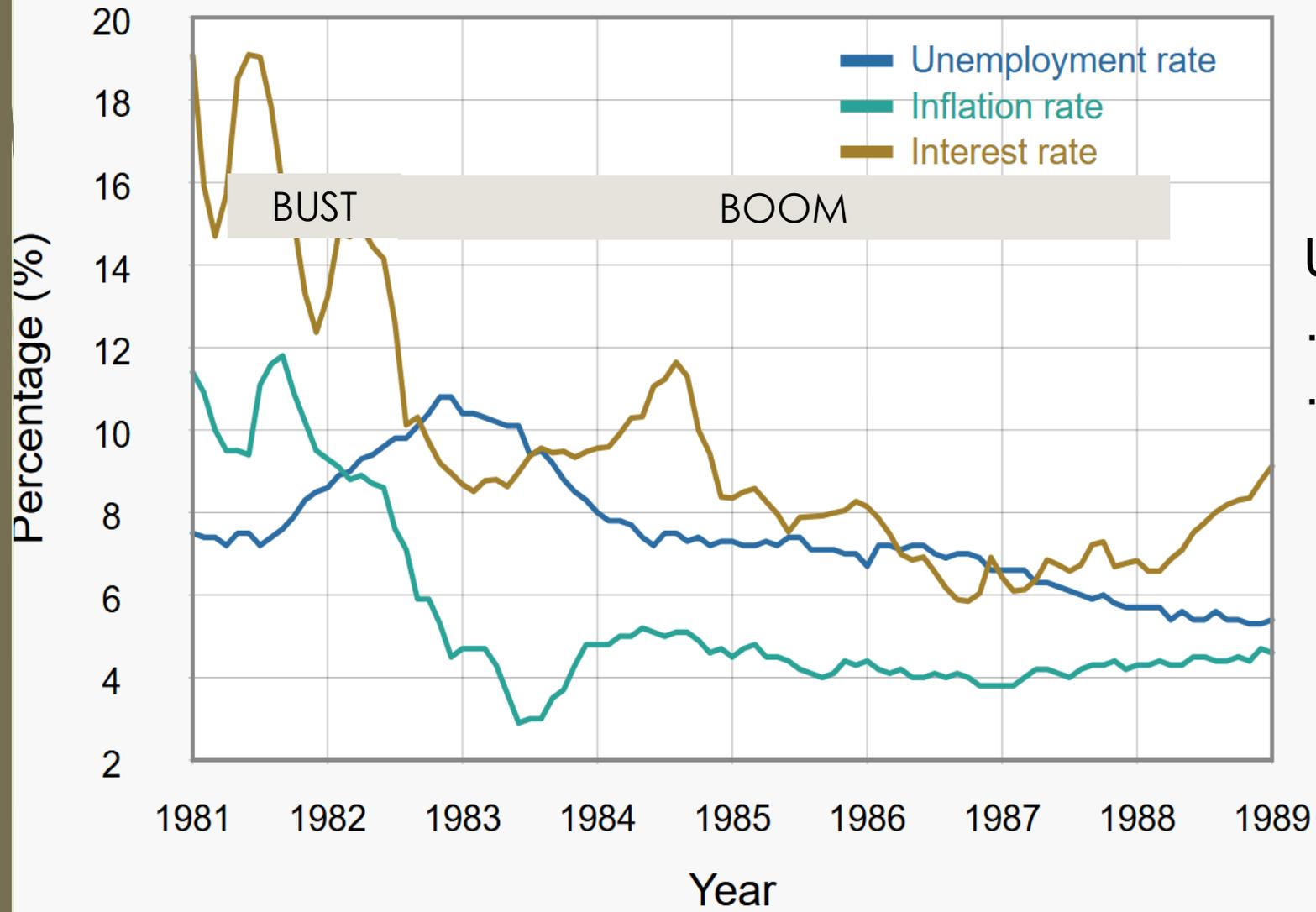
➤ US production recovers

➤ Deregulation

Economy recovers

The Reagan "boom 1984-1988"

Monthly unemployment, inflation, and interest rates



Inflation collapses

...Volker drops interest rates

...GDP grows 4% a year

...stocks rise 20% 82/83

Unemployment declines slowly

....the "jobless recovery"

...manufacturing continues decline

Emergence new economy jobs

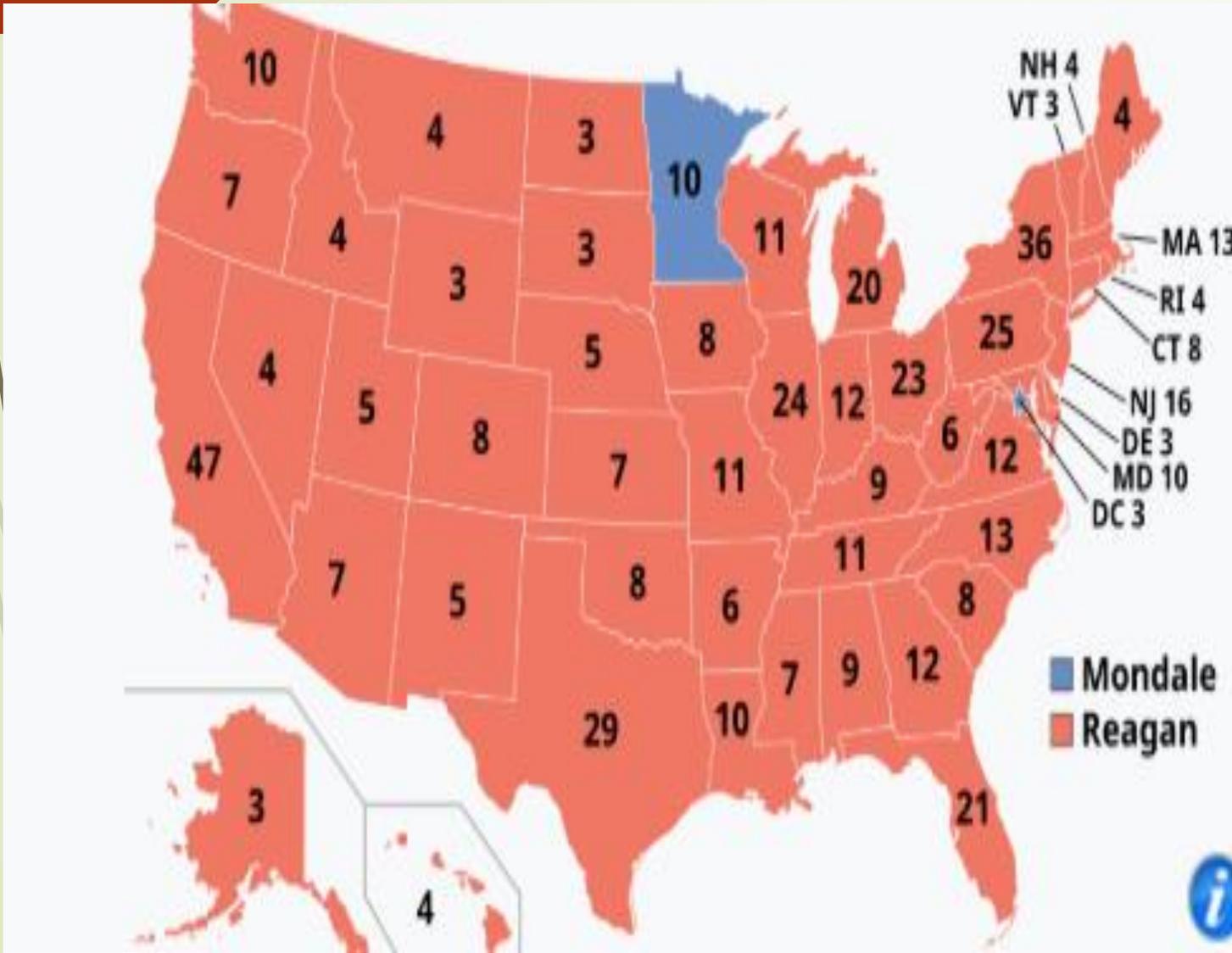
...finance services

...new technologies (computers)

Rising confidence..credit cards

Reagan vindicated

Reagan triumphant 1984 election



Reagan hero

....Economy “fixed”

....International success

“Star Wars”, Grenada invasion
(Talk 45)

Wins 60% vote

...keeps control Senate

...Democrats retain house

Reagan administration free to
Pursue domestic agenda:

Reagan and Government

“Government is not a solution to our problem, government is the problem. ... Government does not solve problems; it subsidizes them. Government's view of the economy could be summed up in a few short phrases: If it moves, tax it. If it keeps moving, regulate it. If it stops moving, subsidize it. ... The problem is not that people are taxed too little, the problem is that government spends too much.

The nine most terrifying words in the English language are "I'm from the government, and I'm here to help."

Poverty, drug abuse the responsibility of the individual, a matter of choices
....not responsibility of government



The exception: Defense

- Doubles defence spending
 - 600 Ship Navy
 - New Missile/ Tanks
 - Star Wars....Talk 45
- Space programme accelerated
 - Improving economics
 - Space Shuttle Programme..resusable pilot capsule

Space programme...expanded and militarised



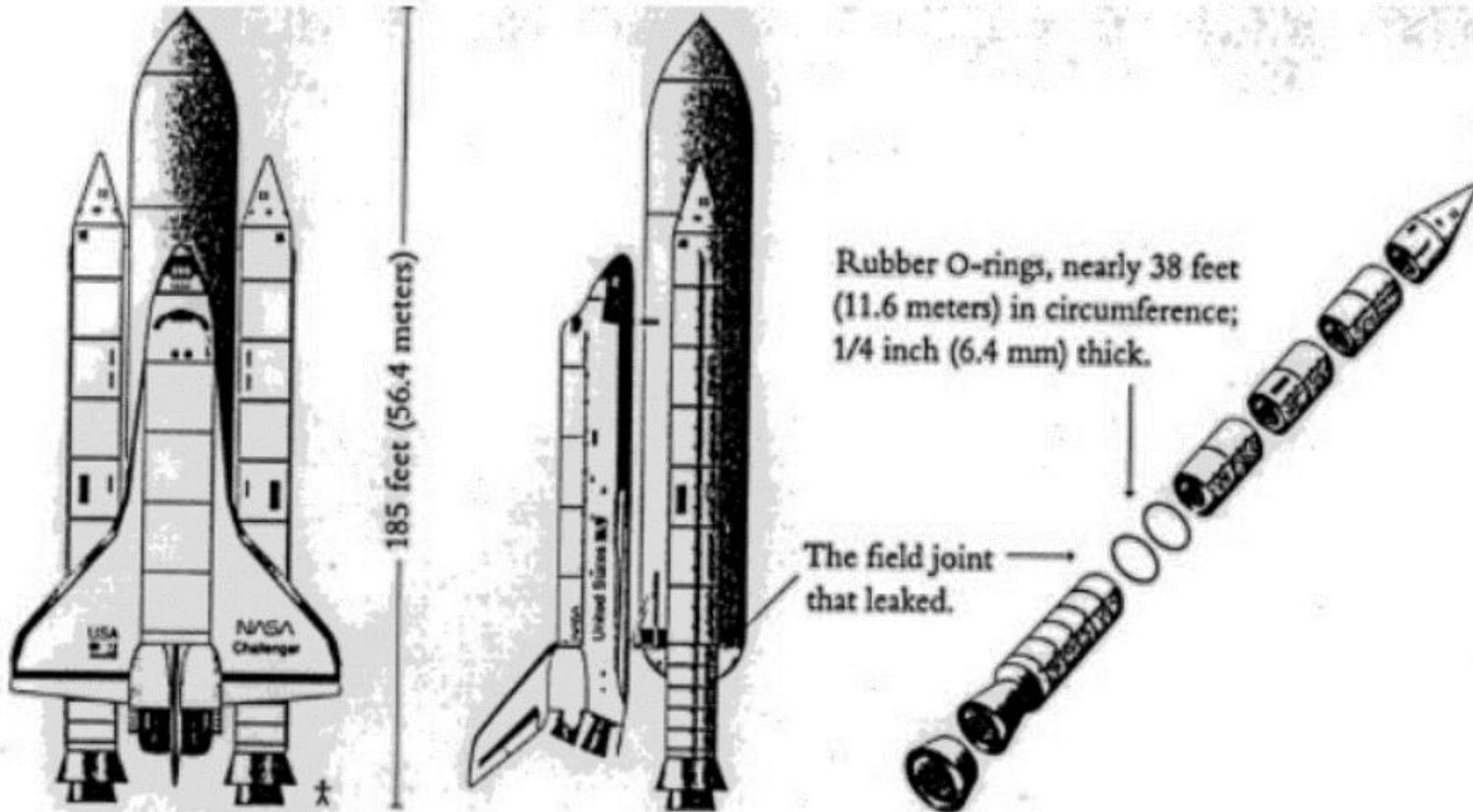
Challenger Disaster January 1986



gettyimages®
Credit: Boston Globe

Cause: Risk avoidance cultureO ring temperature limit

Challenger O-Rings



Culture issue

- ...Space truck goal
-Target launch numbers
-engineers over-ruled

Programme returns 3 years

-military use
-special purpose
- ..”space truck” idea binned
- ...no return to Moon

US pursue international
Cooperation (USSR
Europe)

The Welfare Queen Myth

Reagan standing speech(1976 campaign)

“She has 80 names, 30 addresses, 12 Social Security cards and is collecting veterans' benefits on four non-existing deceased husbands. And she's collecting Social Security on her cards. She's got Medicaid, getting food stamps, and she is collecting welfare under each of her names. Her tax-free cash income alone is over \$150,000”.

Used as example to prove highlight fraud and waste in government

Real fraud rates proven at 2% or less...mostly due to bureaucratic errors

Example of “dog whistle politics”recurring themeDOGE 2025

The real “welfare queen”

“Linda Taylor in court 1977



Career criminal

6 husbands, multiple
Identities...suspected of
3 murders, voodoo priestess

Jailed 1977-1980

...married on release

...husband “shot”

...cashes in on life insurance

...dies 2002 wealthy

Reagan refers to “welfare
Queen” but never names
example of 1

Defunding in practice

- Abandons attempts to eliminate Social Security / Medicare
 - Election mandate ...but rejected by House ...Tip Oneill
- Reduces budgets for education, Food stamps
- Restricts entitlements by narrowing eligibility
- Focus on easy targets...unpopular
 - Reduced/ eliminated funding Psychiatric hospitals
 - Replaced direct aid with lower “block grants” for State discretion
 - Eliminated Mental Health Programme (Rosalyn Carter)

“Great Society” diminished....and diminishing



White House Life

Reagan style



Structured, formal
...scheduled naps
...routine
...professional
...work life balance

Delegation
...informal vs formal
...respectful
...affable

Infighting for attention
...Nancy filters access
...Reagan oblivious

Hollywood style. Glamour/ elegance in vogue
...contrast Carter (cardigans), Kennedy..intellectuals



gettyimages
Credit: Diana Walker

One to one meetings.
...even “enemies” left as friends



Style and elegance



gettyimages®
Credit: Tim Graham

Venue for the up and coming...young Trump



gettyimages®
Credit: PhotoQuest

The perfect partnership



Nancy

...glamorous, style

...screening

...iron control

Criticism

....redecorate White House

....designer china

....clothing gifts

...destroyed advisors not lik

....use of astrologers

Influential confidante

.....image of USA and US

Find a cause...Drugs

....."Just say No" campaign

At home in California



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Credit: Express

Nancy Reagan: fashion icon



gettyimages®
Credit: Chad Buchanan



War on Drugs/ Crime

Increasing crime rates all racesblack crime rate 6-10 higher than whites

► Increasing crime rates during 1970's

	1970	1980
Homicide/100,000	8.0	10.0
Violent Crime rate /100,000	364	600

► Racial Disparity

	1970	1980
White male homicides/100,000	6.6	10.7
Black male homicide rate/100,000	66.0	65.7
UK homicide rate/100,000	0.8	1.1

Causes complex: social breakdown/ urbanisation/ de-industrialisation)

Reagan: cause simple: drugs....drugs in black community

Brief history “War on Drugs”

- Drug use Mid 1960’s ----1980
 - White/ Middle Class...high usage marijuana youth, powder cocaine middle upper class...”glamour drug”
 - Black/ Hispanic communities....lower usage...marijuana..some heroine
- Nixon “War on Drugs”: Ineffectual...increases incarceration...no impact
- Carter Administration (1976-1980) and war on drugs
 - “Punishment should no more damage than drug itself”..fines, treatment

Survey 1980: 2% Americans Drug # 1 US domestic problem

Enter “Crack Cocaine”

Crack Cocaine

Crack Cocaine “rocks”



“Introduced early 1980’s
..mix cocaine baking soda, wax
..cost 10% powder cocaine (\$10)

Portable, lower cost, profitable
....highly addictive/ rapid “hit”
... mass volume...rise of cartel labs
...high value vs transport costs

Industrialised production Mexico/South A
...target low income (black)
...easy source of income

Changes use of drugs & public reaction

Drug use 1980's

- 1980 -1990 Explosive growth cocaine use black and white communities
 - Whites....Powder cocaine incr5% tried, 1% regular...marijuana use down
 - Black....Crack cocaine 5x plus surge10% tried, 3% regular
 - Deaths rise from 500 year early 80's to 1,000 1990 (vs 100,000 Fentanyl 2020)
- Media : scourge...plague, dramatization....black problem
- Reagan: ""We're taking down the surrender flag that has flown over so many drug efforts; we're running up a battle flag.“

First solution: “Just Say No”

War on Drugs #1:.. Nancy Reagan “Just Say No”

Public Speeches
through 80's

Raises raises awareness...drug usage seen as #1 issue
rises from 2% to 65% public....users demonized,
.....seen as weak, guilty

Celebrity appearances....”show business”



Organised Crime Enforcement Task Force 1982

- Established 1982....Run by Vice President Bush
 - Use of FBI, CIA . Coast Guard to supplement law enforcement
 - Budget increased 10x from \$30m to \$300
- Internationalises and Militarises Drug Enforcement
 - Pressure on South American governments to comply/ enforce
- Limited impact
 - Less than 10% imports stopped...supply increases
 - Technology race

Conflict...Cartels anti-communist (Contras) ..CIA facilitation...Talk 45

Glamorisation of crime.....Miami Vice ...and completely ineffectual



Anti Drug Abuse Acts

➤ 1984

- Funding for treatment (reduced due to budget concerns)
- Increased resources

➤ 1986

- Mandatory minimum sentences for possession
- 100:1 sentencing “crack” vs “powdered” cocaine
- Police asset forfeiture

➤ 1988

- Surveillance funding
- Increased sentences

Police militarised...funding boost....self serving...bigger problem

Racial disparity...blacks imprisoned, whites fined



Consequences



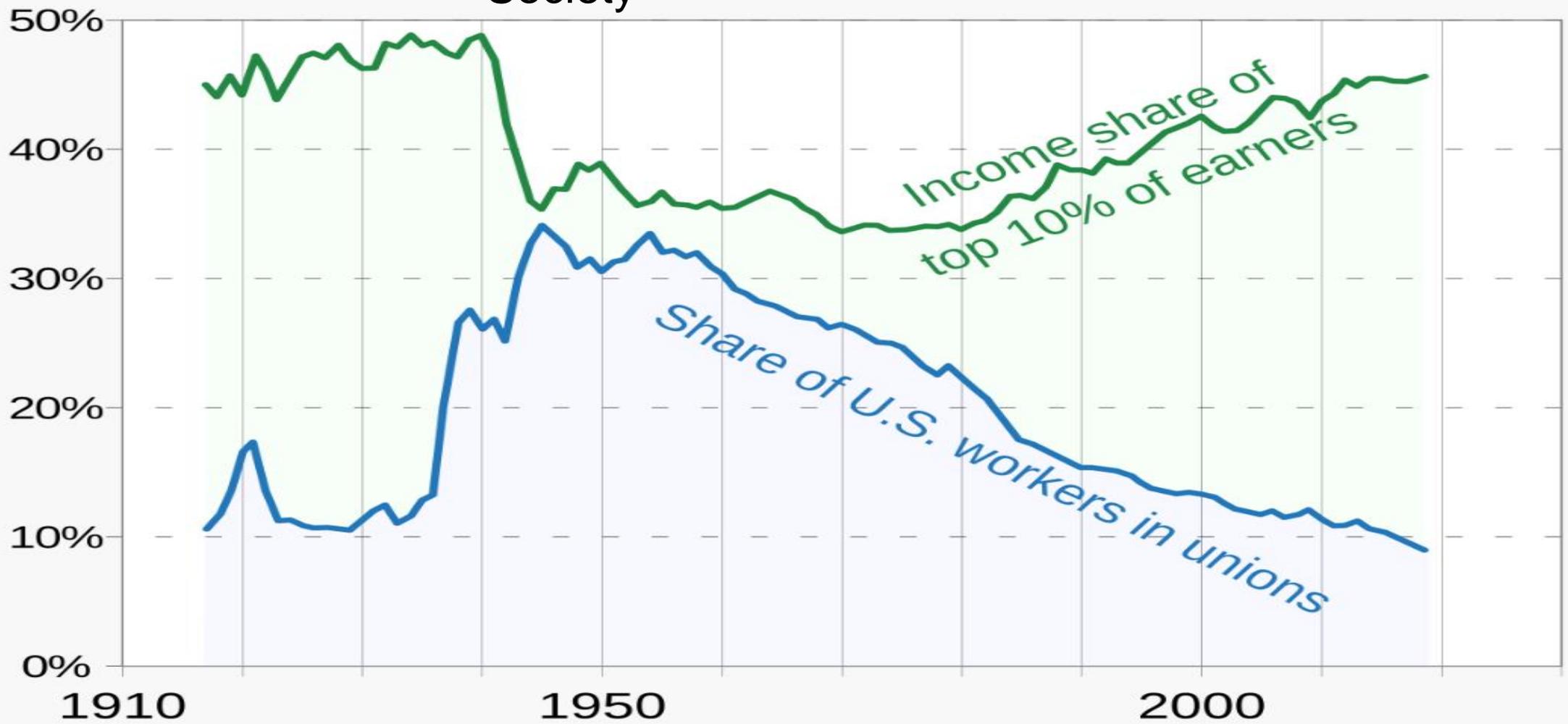
Union membership declines / ...inequality accelerates ...return to "Gilded Age" (1890's)



New Deal

Great Society

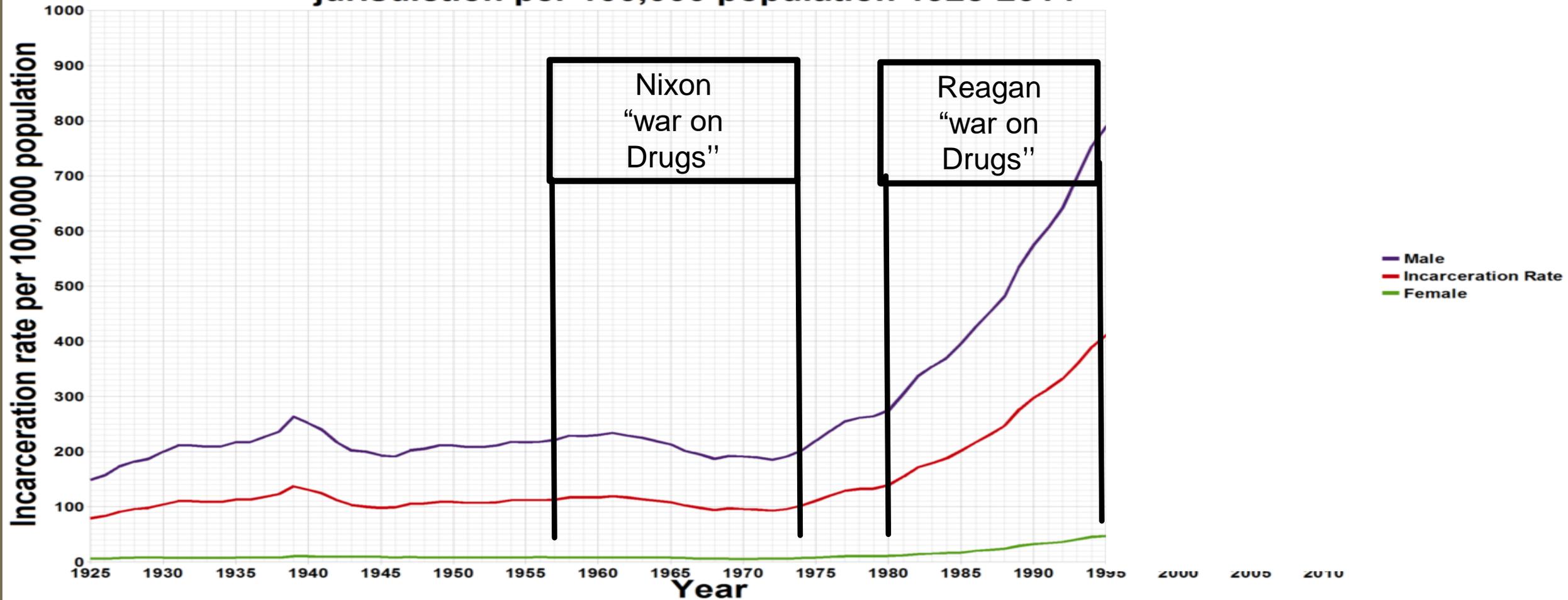
Reagan



Prison population quadruples

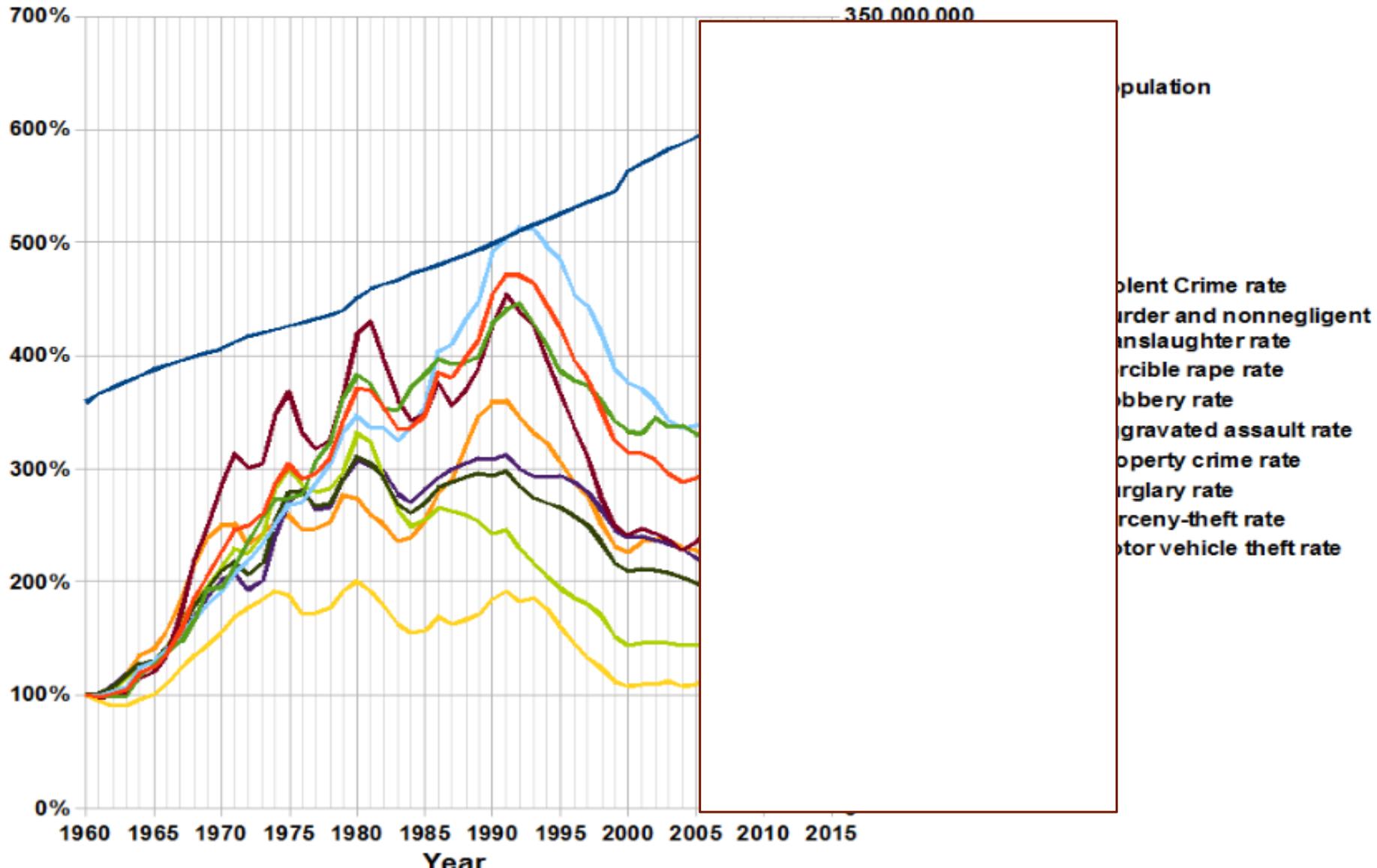
..... impact on black communities ,.60% inmate drug offenses (Vs 30% 1980)m.....80% recidivist rate

Incarceration rate of inmates incarcerated under state and federal jurisdiction per 100,000 population 1925-2014



No reduction in crime

United States Crime Rate Increase



Violent crime
Increases 22%
600-830/100,000

Homicide rate
Declines from
10.2 to 9.4

100% increase in homelessness

▶ Triggers

- ▶ Closing psychiatric hospitals
- ▶ High incarceration rate, employability of ex inmates
- ▶ Reduced welfare/ elimination rent controls

▶ Homeless levels

- ▶ 1980....250,000
- ▶ 1990... 500,000
- ▶ 2000...750,0000

Policies continue through 2000's...Republican and Democrats

Aids Epidemic

Origins and spread

- Zoonotic disease originating in Central Africa 1930's
 - To US via doctors working in Africa...contaminated blood supplies 1971
 - 10 year incubation period: "Junkie flue" outbreaks among homeless New York
- Aids epidemic in USA

	Cases	Annual Deaths
1981	300	120
1982	1,170	450
1983	3,076	1,500
1989	43,000	27,500

Reagan Administration ignores despite pleas from Surgeon General

Initial reaction Press Conference 1982

.....ridicule, ignored

October 15, 1982 - White House Press Briefing

Q: Larry, does the President have any reaction to the announcement—the Centers for Disease Control in Atlanta, that AIDS is now an epidemic and have over 600 cases?

MR. SPEAKES: What's AIDS?

Q: Over a third of them have died. It's known as "gay plague." (Laughter.) No, it is. I mean it's a pretty serious thing that one in every three people that get this have died. And I wondered if the President is aware of it?

MR. SPEAKES: I don't have it. Do you? (Laughter.)

Q: No, I don't.

MR. SPEAKES: You didn't answer my question.

Q: Well, I just wondered, does the President—

MR. SPEAKES: How do you know? (Laughter.)

Q: In other words, the White House looks on this as a great joke?

MR. SPEAKES: No, I don't know anything about it, Lester.

Q: Does the President, does anybody in the White House know about this epidemic, Larry?

MR. SPEAKES: I don't think so. I don't think there's been any—

Q: Nobody knows?

MR. SPEAKES: There has been no personal experience here, Lester.

Q: No, I mean, I thought you were keeping—

MR. SPEAKES: I checked thoroughly with Dr. Ruge this morning and he's had no—(laughter)—no patients suffering from AIDS or whatever it is.

Q: The President doesn't have gay plague, is that what you're saying or what?

MR. SPEAKES: No, I didn't say that.

Q: Didn't say that?

MR. SPEAKES: I thought I heard you on the State Department over there. Why didn't you stay there? (Laughter.)

Q: Because I love you, Larry, that's why. (Laughter.)

MR. SPEAKES: Oh, I see. Just don't put it in those terms, Lester. (Laughter.)

Q: Oh, I retract that.

MR. SPEAKES: I hope so.

Q: It's too late.

Reagan

“maybe the Lord
Brought down this
Plague because
illicit sex

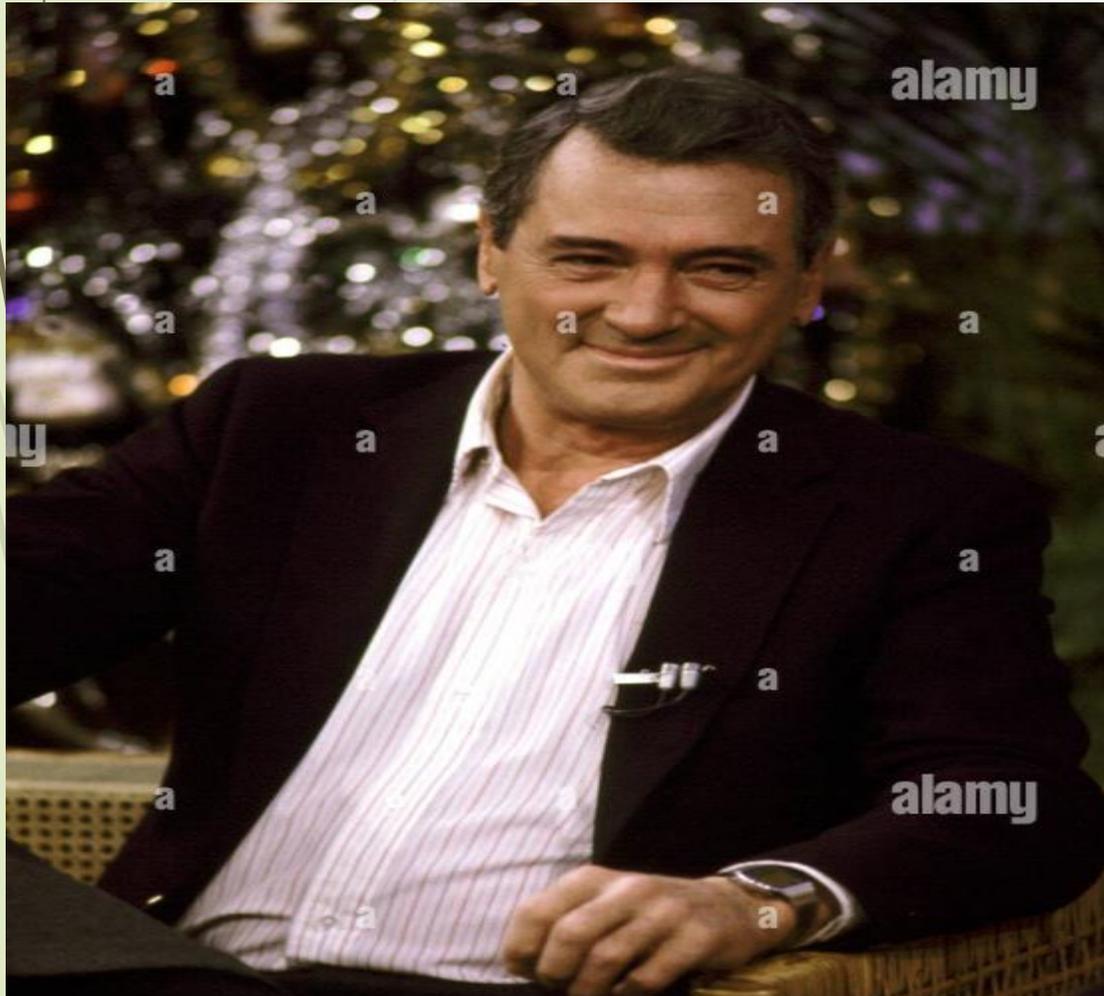
Is against the 10
Commandments

Ignores epidemic

1983 meets religious group
Aids...Consequence of
Moral failings

Reagan changes view...slowly
...friend Rock Hudson "closet gay"...Aids victim 1985

Rock Hudson 1981



Rock Hudson 1985



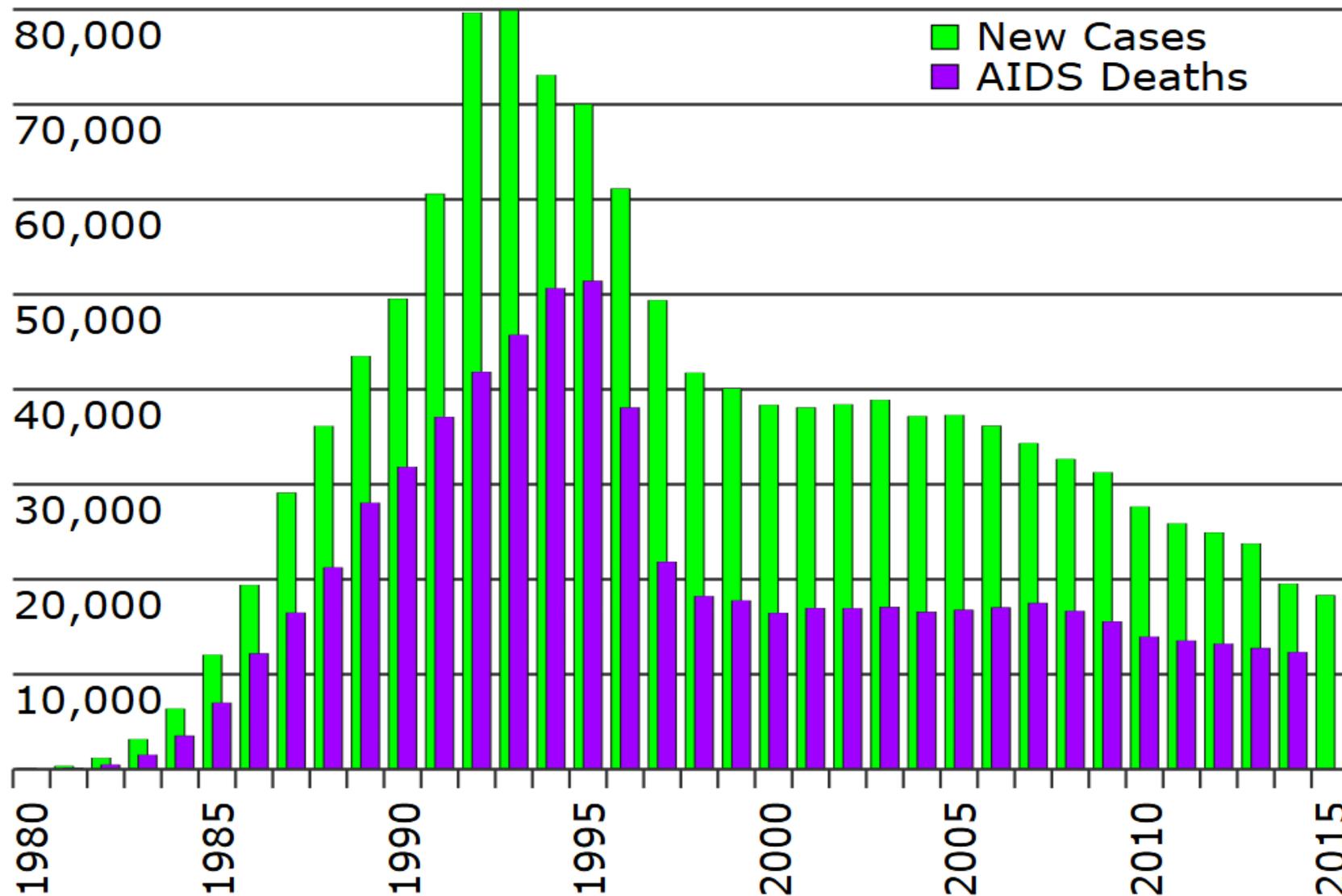
C Everett Koop Surgeon General



Alerts public/ ignores critics
...mass mailing of facts
...Reagan refuses to meet

"I am the surgeon general of the heterosexuals and the homosexuals, of the young and the old, of the moral or the immoral, the married and the unmarried. I don't have the luxury of deciding which side I want to be on. So I can tell you how to keep yourself alive no matter what you are. That's my job

Response to Aids Epidemic



Koop establishes Task Force
1988//Vaccine developed

Reagan changes view
...supports Koop 1989
...funds vaccine
...public campaign
...too little, too late

700,000 deaths in US by 2000
...13,000 deaths a year
...50m worldwide

UK experience
...40,000 deaths(35% of population)
...rapid gov response

Deficit increases

"Supply Side" economics did not work

Federal finances and GDP during Reagan's presidency^[66]

Fiscal Year	Receipts	Outlays	Surplus/ Deficit	GDP	Debt as a % of GDP ^[67]
1981	599.3	678.2	-79.0	3,133.2	25.2
1982	617.8	745.7	-128.0	3,313.4	27.9
1983	600.6	808.4	-207.8	3,536.0	32.2
1984	666.4	851.8	-185.4	3,949.2	33.1
1985	734.0	946.3	-212.3	4,265.1	35.3
1986	769.2	990.4	-221.2	4,526.3	38.5
1987	854.3	1,004.0	-149.7	4,767.7	39.6
1988	909.2	1,064.4	-155.2	5,138.6	39.9
1989	991.1	1,143.7	-152.6	5,554.7	39.4

Reference: Current Debt at 120% GDP!

Deficit rises from 25% -39% GDP

Expenditure increases

....Savings and Loan bail-out

...Social Programmes remain

...Tax receipts decline

Defence costs double

To 6% GDP...real 70% growth

Despite

... Tax increases to reduce deficit

....1982+

The “collapsing thrifts”

20% Thrifts fail each year

Year	# of thrifts	# insolvent ^[49]	% insolvent
1980	3,993	43	1.1%
1981	3,751	112	3.0%
1982	3,287	415	12.6%
1983	3,146	515	16.4%
1984	3,136	695	22.2%
1985	3,246	705	21.7%
1986	3,220	672	20.9%
1987	3,147	672	21.4%
1988	2,949	508	17.2%
1989	2,878	516	17.9%

SL's become target for fraudsters
...reckless lending/investments

Industry begins to collapse
....20% of thrifts insolvent/ default
...new SLs created...as more default

Corruption infects Senate
..5 Senators indicted “The Keating 5”

Government bail out
...25% financial industry in collapse
...\$150 Billion\$450 Billion 2025
....Deficit & interest rates increase
Economy set for recession 1990's
.....not Reagan's problem



Reagan the legacy

Reagan “Revolution”

➤ Winners

- Sunbelt and coast
- Defense and new technologies
- Financial, legal services, health care, insurance, hospitality and retail

➤ Losers

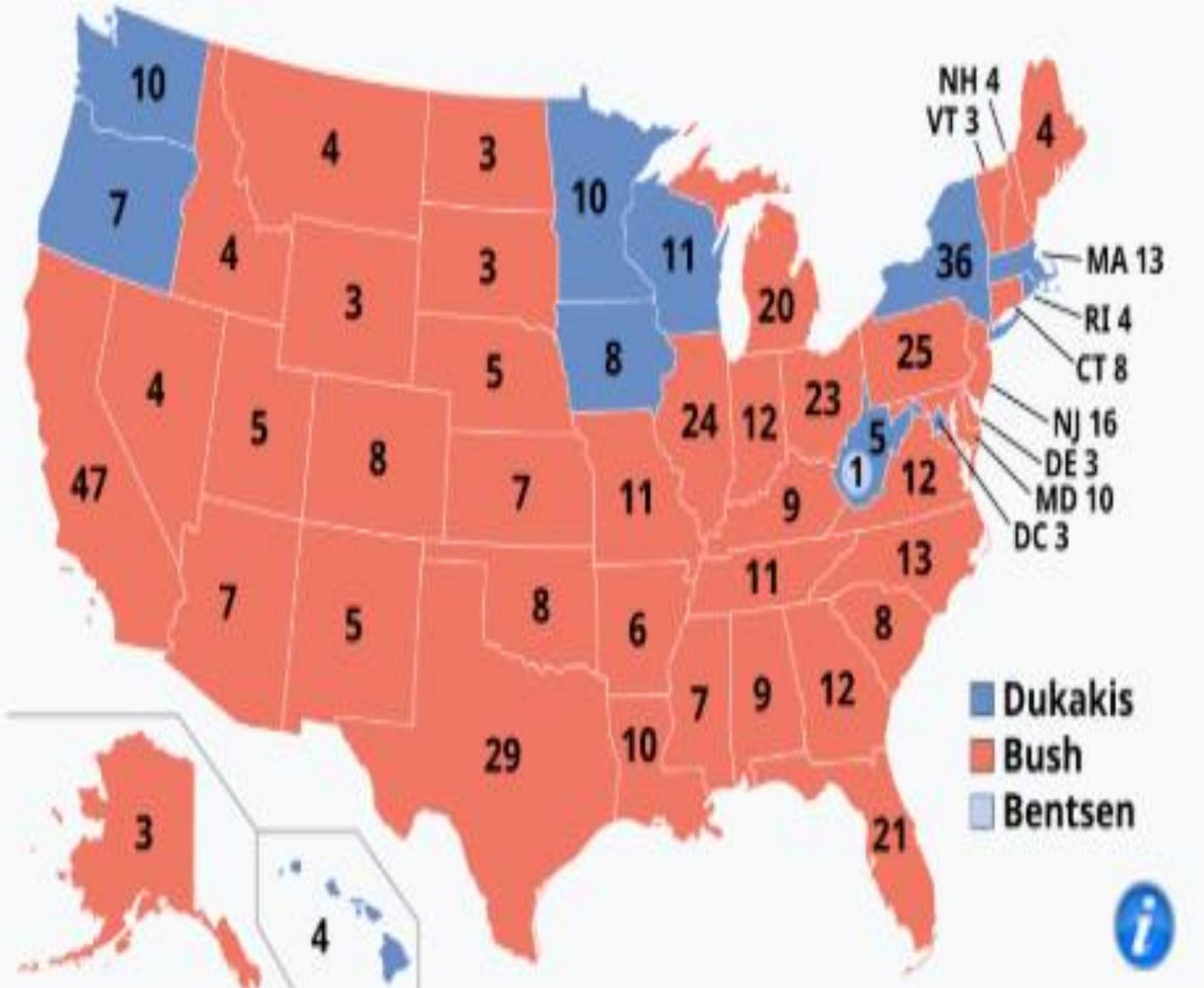
- Midwest industrial centres
- Manufacturing
- Organised labour & minorities,

➤ “Big Society” dead : Triumph of individualism

.....Positives: immediate, visible, aligned with “American exceptionalism”

.....Negatives: long term, invisible, Liberalism/ community discredited

Revolution secured by 1988 Presidential election



Reagan

...overwhelming popular
...not eligible for 3rd term

George Bush..Vice President

...coronation/ election
...strong economy (still)
...war on crime, drugs
...success of foreign policy

Democrat...Liberal community
Based policies

Bush wins 55% vote

...3rd landslide Republican win



“Success” of Reagan Revolution accompanied by
US rise to global dominance

Next talk: Reagan and the world Talk 45

.....November 3rd