The Imaginary Reagan Revolution: On the Conservative Undermining of Radical Left-Wing Discourse

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Introduction

The presidency of Ronald Reagan (1981-1989) is often referred to as “The Reagan Revolution.” This appellation was actively promoted by Reagan’s supporters as soon as the president took office, with journalists Rowland Evans and Robert Novak’s The Reagan Revolution (1981) as one of the earliest examples. Insiders also used revolutionary rhetoric when publishing their accounts of the Reagan administration. In The Triumph of Politics: The Inside Story of the Reagan Revolution (1987), David Stockman explained what the “revolution” was about: “shrinking Big Government [...], lower tax rates, and a vast curtailment of federal spending, welfare, and subsidies” (2-3). In other words, it was about reversing the legacy of New Deal liberalism, which had more or less dominated federal policymaking since the presidency of Franklin D. Roosevelt (1933-1945). Although David Stockman (1987) argued that the Reagan Revolution ultimately failed (9, 15), other insiders—such as Martin Anderson in Revolution: The Reagan Legacy (1988) and Peggy Noonan in What I Saw at the Revolution (1990)—continued to highlight what they saw as Reagan’s revolutionary legacy.¹

Like David Stockman, however, a number of historians in the 1990s, generally more critical of the Reagan presidency, contested the idea that a revolution had taken place in the 1980s. For example, Joseph Hogan in The Reagan Years: The Record in Presidential Leadership (1990), Larry M. Schwab in The Illusion of a Conservative Reagan Revolution (1991), and Iwan W. Morgan in Beyond the Liberal Consensus: A Political History of the United States since 1965 (1994) all argued that the scope of change during the Reagan years was much narrower than what the rhetoric would suggest. Measuring the gap between the
Despite such contentions, the 21st century has seen a revival of “Reagan Revolution” rhetoric. Richard C. Thornton’s four-volume *The Reagan Revolution* (2003-2013), Craig Shirley’s *Reagan’s Revolution* (2005), and Gil Troy’s *The Reagan Revolution: A Very Short Introduction* (2009) are but a few examples of its presence in recent historical works. Some historians have even extended the Reagan Revolution to include the Clinton presidency (1993-2001). Jack Godwin presents this in a positive light in *Clintonomics: How Clinton Reengineered the Reagan Revolution* (2009), while Michael Meeropol, in *Surrender: How the Clinton Administration Completed the Reagan Revolution* (2000), saw this continuity as a form of capitulation. Similarly, the Marxist scholar David Harvey wrote in *A Brief History of Neoliberalism* (2005) that “[f]uture historians may well look upon the years 1978-80 as a revolutionary turning-point in the world’s social and economic history” (1), citing the Reagan and Clinton presidencies as complimentary moments in the construction of a neoliberal consensus (50-55, 62-63). These last two examples illustrate that the Reagan Revolution hypothesis is not limited to conservative Republican discourse; it also includes certain critics. Moreover, if the Clinton administration offered no fundamental break with the Reagan Revolution, this renders the Clinton years even more complex to interpret, for the Democratic Platform of 1992 had promised its own “revolution” to overthrow “12 years [...] of Republican irresponsibility and neglect” (¶ 1, 3).

The persistent use of revolutionary rhetoric by Reagan’s critics and sympathizers alike raises a number of questions. Not only are scholarly debates on the gap between the rhetoric and the reality of the Reagan era still open, but the resilience of Reagan Revolution rhetoric has political and ideological significance in and of itself. For most of the 20th century, “revolution” was almost exclusively associated with the radical left-wing objective to overthrow the capitalist political and economic regime to create a new socialist order. Conservatism was the antithesis to this sort of revolution. During the Reagan era, however, it was conservatives who were allegedly carrying out a revolution. Whether or not this revolution was real or imaginary is one thing; but if Reagan and his supporters at least managed to endurably associate the idea of “revolution” with a conservative policy agenda, would this not serve as a powerful ideological buffer against revolution in the radical left-wing sense? If so, this may well be part of Reagan’s historical legacy: an imaginary revolution that symbolically undermined the political Left by confiscating and mutating its terminology.

This paper will explore this hypothesis in two parts. The first part will analyze the use of revolutionary rhetoric by Ronald Reagan himself when presenting his place in American history. How did Reagan encourage historians and observers to think of his presidency in terms of revolution, and how was this revolution to be understood? Elements of a response can be found by revisiting some of Reagan’s most emblematic speeches. The second part will then analyze the political and ideological implications of certain changes that indeed took place during and after the 1980s, so as to contribute to the debates surrounding Reagan’s legacy and the parallels between the Reagan and Clinton presidencies. This will lead us to revisit the ways in which economic data, David Stockman’s inside account, and other historical assessments all reveal a gap between the rhetoric and the reality of this period.
Such a reassessment, of course, inevitably raises the question of historical objectivity—which, as Peter Novick has elegantly shown, is among the “essentially contested concepts” whose “meaning [...] will always be disputed” (Novick 1). It should therefore be made clear that, by measuring the gap between reality and rhetoric, the aim of this paper is not to establish some definitive account of the “objective reality” of the Reagan era. What interests us is the gap itself, namely the political and ideological consequences of using revolutionary rhetoric to designate a reality that, however you interpret it, may include important changes but does not correspond to most currently accepted meanings of political revolution. If Reagan Revolution rhetoric has essentially stripped the word “revolution” of its very meaning and put the American Left on the defensive, this may be one way that conservatives politically and ideologically undermined anyone seeking real alternatives to the established order.

Reagan and the Rhetoric of Revolution

As mentioned above, the notion of a Conservative Reagan Revolution is commonplace in popular culture and academia, but how did Ronald Reagan himself contribute to forging this historical narrative? Reagan’s own use of revolutionary rhetoric can perhaps best be illustrated by analyzing his inaugural addresses, State of the Union addresses, and farewell address.

Karlyn K. Campbell and Kathleen H. Jamieson have argued that these forms of presidential communication are distinct genres of the “rhetorical presidency” (1), each with a specific set of functions. Inaugural addresses notably have a “symbolic function” (29) of unifying the American people behind the new president, reasserting “communal values drawn from the past” (31) and announcing the “political principles that will guide the new administration” (31). State of the Union addresses set forth more concrete “policy recommendations” based on the administration’s “assessments of information and issues” (139). Both genres offer presidents “the role of national historian, giving them the opportunity to reconstruct the past in order to forge the future” (137). Farewell addresses then allow them to bequeath their legacy (307). Although the generalization of these rhetorical genres is subject to scholarly debate (see Ryan xvi-xix), few would disagree that such documents provide crucial insight into presidents’ political agendas and the role they present themselves to be playing in history. The idea that the Constitution periodically offers presidents the role of national historian is especially interesting for our purposes, for the question to be asked is: What kind of revolution did Reagan claim to be bringing about in American history?

Reagan’s “Revolutionary Conservatism”

It goes without saying that Reagan never intended to replace the American political system with a new one and even less to overthrow capitalism. This may seem obvious enough, but it deserves mention because the commonly accepted political meaning of “revolution” is a sequence of events by which a political regime is overthrown by the governed, usually through a violent uprising, resulting in the abolition of the old system and the constitution of a new one. The Oxford English Dictionary (OED), for example, defines revolution as “a forceful overthrow of a government or social order in
favor of a new system.” It also mentions the Marxist notion of “the class struggle which is expected to lead to political change and the triumph of communism.” Nobody would argue that anything remotely close to any such events happened in the United States during the 1980s, making the “Reagan Revolution” expression all the more puzzling.

It is otherwise well known that Reagan was firmly committed to upholding the American political and economic system and to reversing the spread of communism, which had gained ground in Asia, Africa, and Latin America since the 1960s. In his first inaugural address, Reagan portrayed the historic role of the United States under his administration as doing “whatever needs to be done to preserve this last and greatest bastion of freedom” (Reagan, 1981a ¶ 7)—particularly by protecting it both against economic decline at home and “the enemies of freedom” abroad (¶ 24). Thus, to the extent that Reagan’s aim was to conserve an American system perceived to be in danger and to counter revolutionary communist forces, “Conservative Counterrevolution,” as some historians have suggested, may be a more accurate term to describe Reagan’s foreign and domestic political agenda (see Tobin; Peterson; Hayward, 2009).

Yet, it must also be recognized that in terms of domestic policy, Reagan’s particular brand of conservatism was not about preserving the status quo or resisting change. In order to cure the economic ills of the time—namely, inflation, recession, unemployment, and, according to conservative Republicans, a punitive tax burden, excessive public spending, and overregulation—the administration called for significant policy shifts in order to reduce government intervention in the economy. This amounted to a head-on assault against the liberal consensus that had reigned in American politics since the New Deal and culminated in Lyndon B. Johnson’s Great Society—a consensus according to which government intervention was seen as the standard solution to social and economic problems (see Hodgson 76). Conservatives had struggled to reverse this tendency throughout the postwar period (see Phillips-Fein; Smith): they formed a minority within the Republican Party during the 1950s in relation to “modern Republicans” like Dwight D. Eisenhower and Nelson Rockefeller, who were unfavorable to dismantling the New Deal (see Larson; Stebenne); and they failed to win the 1964 presidential bid with Barry Goldwater, whom Reagan had famously endorsed (see Reagan, 1964). Even Richard Nixon, who had also sought to break the liberal consensus, had an ambiguous legacy in the matter.2

The attempt to overturn the liberal consensus was thus several decades in the making, and to invert the tendency toward increased government intervention in the economy would entail a serious overhaul of federal economic policy. This could hardly be considered conservative in the sense of “averse to change or innovation” (OED). To the extent that the Reagan administration deemed an overthrow of the New Deal order necessary to renew and preserve the American political and economic system, the idea of a “conservative revolution” may therefore be less contradictory than it seems.

**Revolution as Restoration**

Reagan’s first inaugural address provides further insight into the meaning of this revolutionary conservatism. Although the term “revolution” does not appear explicitly in the speech, the following passage shows how Reagan did invite Americans to imagine a parallel between his political objectives and the American Revolution:
This administration’s objective will be a healthy, vigorous, growing economy that provides equal opportunities for all Americans [...]. All must share in the productive work of this “new beginning,” and all must share in the bounty of a revived economy. [...] So, as we begin, let us take inventory. [...] Our government has no power except that granted it by the people. It is time to check and reverse the growth of government, which shows signs of having grown beyond the consent of the governed. 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. All of us need to be reminded that the Federal Government did not create the States; the States created the Federal Government. (Reagan, 1981a ¶ 10-11)

By suggesting that government had “grown beyond the consent of the governed,” Reagan was clearly referring to the Declaration of Independence. It was in similar terms that the American revolutionaries of the 18th century had justified their overthrow of the political regime tying the Thirteen Colonies to Great Britain. Likewise, when Reagan reminded his audience that it was the states that had created the Federal Government, this refers to the later phase of the American Revolution, during which the states ratified the new Constitution. Thus, in terms of captivating Americans’ imagination and uniting them around both traditional communal values and a program for the future, the Reagan Revolution as “a new beginning” symbolized both renewal and a return to the nation’s beginning—that is, a rebirth of the American Revolution.

This is actually quite consistent with another meaning of revolution, which is “the movement of an object in a circular or elliptical course around another or about an axis or center” (OED). Applied to political history, change occurring in this type of revolution must be understood as taking place within a reoccurring cycle. Thus, just as revolutionaries had overthrown British colonial rule and established a new form of limited government in the beginning of the nation’s history, Reagan’s “new beginning” supposedly had the historic role of reestablishing the principles of the American Revolution by reducing government powers that, according to conservatives, had once again grown beyond the consent of the governed. Reagan would later corroborate this interpretation explicitly during his second inaugural address: “Let history say of us: ‘These were golden years when the American Revolution was reborn’” (Reagan, 1985 ¶ 15).

A cyclical version of revolution such as this one is close to what Hannah Arendt defined as the ancient concept of revolution, where neither “political change [nor] the violence that went with it [...] appeared [...] to bring about something altogether new,” but rather a “different stage” in a “sempiternal cycle” (Arendt 21-23). “The modern concept of revolution”, on the other hand, is “inextricably bound up with the notion that the course of history suddenly begins anew” (28). Hannah Arendt considered the American and French revolutions of the late 18th century to be the first modern revolutions in this sense (28).

Yet, historians have long debated the radicalism of the American Revolution (see Morgan). Leading up to the Reagan era, some historians like Daniel Boorstin in 1953 argued that the American Revolution was fundamentally conservative, while others have contested these conservative interpretations, such as Gordon S. Wood who, writing after the Reagan years, insisted on *The Radicalism of the American Revolution* (1992). For our purposes, if the American Revolution was indeed a revolution in the modern sense of “a forceful overthrow of a government or social order in favor of a new system” (OED), “usher[ing] in an entirely new era” (Arendt 29), it must be admitted
that a rebirth of such radical change was not at all what the Reagan Revolution was about. In fact, the American Revolution had to be considered conservative if the Reagan Revolution was to be interpreted as a rebirth or restoration of it. Otherwise it would have been about overthrowing the system instead of conserving it.

Reagan’s revolutionary rhetoric actually required the revival of an 18th-century meaning of revolution. As Carine Lounissi has shown, the word “revolution” could be used positively in the 18th century as a synonym for “restoration,” or the return to what was considered the original and correct constitutional order (Lounissi 92). Such a restoration was exactly what Reagan claimed his administration’s objective to be (1981a). Thus, the scope of Reagan’s revolutionary rhetoric went beyond his own presidency: it implied both a conservative interpretation of the American Revolution and a return to a premodern meaning of revolution that did not imply a radical regime change, but rather the restoration of the existing regime to its supposedly original constitutional principles.

Revolution and Restoration as Reform

The concrete policy means by which the Reagan administration intended to accomplish this revolution/restoration were published in its economic recovery program entitled *America’s New Beginning* (Reagan, 1981b). The program included four main parts:

- A budget reform plan to cut the rate of growth in federal spending;
- A series of proposals to reduce personal income tax rates by 10 percent a year over three years [...];
- A far-reaching program of regulatory relief;
- And [...] a new commitment to a monetary policy that will restore a stable currency and healthy financial markets. (7)

As ambitious as these proposals may have been, they were not about setting up a new form of government; they were presented as a “comprehensive package [of policies proposed] in order to achieve a full and rigorous recovery of [the] economy” (Reagan, 1981b 7). This corresponds quite nicely to the definition of reform, which the *American Heritage Dictionary* defines as “an action to improve or correct what is wrong or defective in something.” In Reagan’s rhetoric, revolution becomes restoration and ultimately reform. As both restoration and reform are generally opposed to revolution in the modern, radical sense, we can already see how Reagan Revolution rhetoric tends to undermine the meaning of revolution by equating it to its opposites.

Moreover, it should be noted that each part of the policy package was implicitly designed to counter the effects of various reforms enacted since the New Deal—reforms which, according to conservative Republicans, were responsible for increased federal spending, higher income tax rates, more regulations, and an ineffective monetary policy. If the goal was to undo some of these reforms, then the term *counter-reform* would be appropriate in such cases. Nevertheless, it was through a combination of reforms and counter-reforms that the Reagan administration intended to restore the American economy and political structure. For example, the budget proposals called for several Great Society welfare programs to be cut or discontinued, but one of the top priorities was to preserve and improve the economic efficiency of “essential social safety net programs” (Reagan, 1981b, 22) such as Social Security, Medicare, and Medicaid. Thus, contrary to Reagan’s revolutionary rhetoric, it seems that his concrete domestic policy agenda could best be described in terms of reform and counter-reform.
From a communication standpoint, however, if Reagan-era policy reforms and economic recovery could be redefined as revolutionary, then Reagan could symbolically present the progress made on these levels as evidence of a successful revolution. This is precisely what he did in his final State of the Union address (1988), poising himself once again as national historian:

Our record is not just the longest peacetime expansion in history but an economic and social revolution of hope based on work, incentives, growth, and opportunity; [...] a revolution that at a critical moment in world history reclaimed and restored the American dream. (Reagan, 1988 ¶ 5)

Let us note the ambiguity of the expression “an economic and social revolution of hope.” Renewing hope and faith in the existing economic and social order of American capitalism is not the same thing as overthrowing this order in favor of a new system. A revolution of hope belongs more to the realm of the imaginary, that is, the way Americans imagine a brighter future and formulate dreams in relation to a real social and economic order that is conserved, though perhaps reformed.

In terms of real political upheavals around the world during the 1980s, Reagan also claimed that his administration contributed to a “global democratic revolution” (Reagan, 1988 ¶ 7) by reversing the spread of communism: “In international relations, too, there's only one description for what, together, we have achieved: a complete turnabout, a revolution” (¶ 6). From a Marxist standpoint, the reversion from socialism to free market capitalism is counterrevolutionary; in Reagan’s rhetoric, however, counterrevolution becomes revolution. The supreme model was once again the American Revolution: “All of [these revolutionary achievements were] made possible by an idea I spoke of when Mr. Gorbachev was here—the belief that the most exciting revolution ever known to humankind began with three simple words: ‘We the People’” (¶ 3). In other words, for Reagan, the regime that resulted from the American Revolution was the only legitimate reference point when it came to imagining political and economic alternatives.

When reflecting on his legacy during his farewell address (1989), Reagan put it this way: “They called it the Reagan Revolution. Well, I’ll accept that, but for me it always seemed more like the great rediscovery, a rediscovery of our values and our common sense” (¶ 13). Common Sense being the title of Thomas Paine’s pamphlet calling for revolution in 1776, Reagan once again confiscated the radical rhetoric of the American Revolution to define his conservative politics. In the end, the expression that stuck was not “The Great Rediscovery” but instead “The Reagan Revolution.” The “Great Communicator” succeeded in forging a rhetorical marriage of revolution and conservatism that would influence historical categories for an entire generation.

**Revolution? A Reassessment of Reagan’s Legacy**

We have seen how Reagan actively contributed to creating a historical narrative of revolution in regards to his presidency. His actual legacy of revolution, however, is a whole other question. A complete appraisal of what he did or did not achieve surpasses the limits of this article. Others have presented their appraisals in the studies mentioned in the introduction, but also in recent works by Sean Wilentz (2008) and Stephen F. Hayward (2009) on the “Age of Reagan.” Hugh Heclo has also recently assessed several dimensions of Reagan’s presidency in order to underline its mixed
legacies, arguing in particular that, despite the rhetoric, there was no Reagan Revolution in social policy (Heclo 559-561). This conclusion echoes that of David Stockman, the radical supply-side ideologue who served as director of the Office of Management and Budget (OMB) during Reagan’s first term, and who wrote an insider’s account of how the Reagan Revolution, according to him, was a failure (Stockman 15). In the analysis that follows, it will be argued that the gap between rhetoric and reality was indeed quite wide, but that the persistent labeling of the changes that did happen during the Reagan years as “revolution” generated a powerful ideological inversion with very real political consequences.

Confiscating Left-wing Rhetoric

One of the ironies of the “Reagan Revolution” rhetoric is that it attributes the restoration of America’s constitutional principles primarily to the work of one man, whereas the Constitution of the United States was designed to make a one-man revolution impossible. Whether it be revolution or counter-revolution, reform or counter-reform, the division of power and the system of checks and balances were deliberately set up to prevent any one person, especially the president, from wielding so much power as to be capable of unilateral decision-making. Of course, Reagan always gave credit, not uniquely to himself, but to the American people for propelling his political agenda. Yet, the idea of a completely unified American people is a myth in and of itself—a myth that the “rhetorical presidency” largely contributes to creating (Campbell & Jamieson 31). Even though Reagan did have the support of a majority of Americans, Congress was also supposed to represent the will of the people; and the constitutional system of representation (instead of direct democracy) and divided power (instead of absolute monarchy) was meant to render radical change virtually impossible within the system, whether it be promoted by a majority, a minority, or the president himself (see Hamilton, Madison, & Jay 60-69). In this sense, the idea of a revolution within the system seems antithetical to the American constitutional framework.

Given that Reagan was pledged to defending the Constitution and that it is not the president but Congress that has the power to pass tax, budget, and regulatory reforms, it can reasonably be assumed that Reagan’s revolutionary discourse was a rhetorical arm to wage a fierce reform battle with Congress and to gain maximum public support for the executive branch’s legislative agenda. Indeed, although the Senate had a Republican majority from 1981 to 1987, Democrats controlled the House of Representatives during Reagan’s entire presidency, with the liberal Democrat Tip O’Neill, a defender of the New Deal heritage, as the House Majority Leader. It was therefore necessary for the administration to convince conservative House Democrats to vote with Reagan Republicans in order for the president’s economic program to have any chance of being implemented. Ironically, using presidential influence to increase the executive branch’s legislative power runs contrary to both the American Revolution’s strive to limit executive power and the conservative critique of the New Deal’s legacy of increasing presidential power.

David Stockman, who co-authored America’s New Beginning (Reagan, 1981b), was a central figure in leading the negotiations between the administration and members of Congress. Stockman’s political odyssey is revealing in regards to the revolutionary
terminology used to promote the president’s economic plan. Before joining the legions of the New Right conservative movement, which gained momentum in the 1970s and brought Reagan to power in 1980 (see Schulman & Zelizer), Stockman had participated in the radical New Left of the 1960s (Stockman 23-26). “New beginnings” was an expression abundantly used by the New Left to refer to the democratic revolution it sought to bring about (Mills 15; Unger 25)—a revolution in the sense of a real overthrow of capitalism and the American political system in favor of direct democracy and socialism (see Lynd). This revolution failed, however, and during the Nixon years Stockman became a “born-again capitalist” inspired by the works of Friedrich A. Hayek and Milton Friedman (Stockman 34). He was elected as a Republican to the House of Representatives during the Carter years, and Jimmy Carter was actually the first president to confiscate the expression “new beginning” for his own purposes. He used it in his inaugural address (1977) to try to inspire hope in an American people that had gone through the trauma of the Vietnam War, the Watergate scandal, and the economic hardships of the 1970s. When the Reagan administration, with Stockman as director of the OMB, then used the expression to promote an economic program diametrically opposed to that of the New Left, now conservative Republicans were confiscating left-wing revolutionary rhetoric. Henceforth, the meaning of revolution was distorted to designate supply-side economic reform.⁵

The Failed Revolution

Given Stockman’s four-year experience as Congressman, during which he had ample opportunity to witness Congress’s ability to inhibit ambitious or controversial budget initiatives, it is surprising that he imagined that the Reagan Revolution could have worked at all. No fewer than five partial government shutdowns occurred during the Carter years due to funding gaps. This is what makes Stockman’s 1986 mea culpa all the more interesting, for he retrospectively concluded not only that revolutionary change “can’t be done” within the American system, but also that the Reagan Revolution “shouldn’t have been tried” in the first place (Stockman 15). By his account, if Reagan’s “new beginning” ended up failing just like the New Left’s, it was precisely because of resistance within Congress to the administration’s proposed spending cuts and a lack of genuine radicalism of President Reagan himself:

The fact was, metaphor and reality had been at odds from the very beginning. The Reagan Revolution had never been any more real than the Judas thesis or the woodshed story. Revolutions have to do with drastic, wrenching changes in an established regime. Causing such changes to happen was not Ronald Reagan’s real agenda in the first place. It was mine, and that of a small cadre of supply-side intellectuals. [...] The true Reagan Revolution never had a chance. [...] Our Madisonian government of checks and balances, three branches, two legislative houses, and infinitely splintered power is conservative, not radical. [...] It cannot leap into revolutions without falling flat on its face. (8-9)

Ironically, it was the success of the initial tax-cut phase of the economic plan—an emblem of Reagan-initiated, allegedly trailblazing economic reforms—that prepared the ultimate failure of the “revolution” (14). In an economic context characterized by soaring inflation rates (13.5% in 1980) and stagnant or falling real wages since 1973, significant tax cuts could achieve broad public and political support. The Economic Recovery Tax Act of 1981 (ERTA) was the largest tax cut in American history: income tax rates were slashed by 30% over three years, and the cuts were made permanent by
indexing tax brackets on inflation after 1985. Certain supply-siders believed the tax cuts would pay for themselves thanks to the increased economic growth they were expected to generate—thus was the theory of the “Laffer curve” (see Wanniski). Stockman, however, did not believe this for an instant (71); his equation for balancing the budget presupposed the other part of the Reagan Revolution: “draconian reductions on the expenditure side—a substantial and politically painful shrinkage of the American welfare state” (Stockman 11). By working with Congress, he was able to bolster up a coalition between the GOP and conservative Democrats (182) that made the giant tax cut possible.

However, a frontal assault on the American welfare state proved to be a political suicide that neither Congress nor Reagan was willing to risk. Indeed, one of Reagan’s early missteps, as Hugh Heclo recounts, came in May 1981, when the administration proposed cuts to Social Security benefits for certain early retirees “based on short-term budget balancing needs” (Heclo 558). The Republican-controlled Senate rejected the proposal unanimously. Having learned his lesson, Reagan went on to work with Tip O’Neill to pass the 1983 Social Security Amendments, which aimed to guarantee the solvency of the Social Security system for the next twenty years through a gradual increase in payroll taxes and the retirement age. As Hugh Heclo puts it, “if there ever was anything resembling a frontal assault on the American welfare state by something that might be called the ‘Reagan Revolution,’ that assault had essentially ended by 1982” (Heclo 559).

David Stockman was already having doubts about how realistic the Reagan Revolution was in late 1981 (see Greider) and later wrote that, by 1982, he “knew the Reagan Revolution was impossible” (Stockman 14). Given the political and institutional resistance to significant domestic spending cuts, along with Reagan’s commitment to increasing defense spending in order to assure America’s military superiority in the Cold War, Stockman says that he quickly realized the 1981 tax cut was a “disastrous fiscal policy” that would inevitably lead to “triple-digit deficits” with a welfare state largely left intact (Stockman 14; see also Greider). According to OMB statistics, federal outlays devoted to Social Security, Medicare, Medicaid, and other social welfare transfer programs indeed remained roughly stable at 10-12% of the GDP throughout Reagan’s presidency, while defense outlays and interest payments each increased by 1-2 percentage points (OMB Table 3.1). Federal receipts, on the other hand, fell by 2 percentage points between 1981 and 1983, during the implementation of the 1981 tax cuts, before regaining one point by the end of the decade (OMB Table 1.2). As a result, the growth of the size of the federal government in terms of spending, though “halted,” “was not reversed and remained roughly stable” (Heclo 559) during the 1980s, while the relative loss of tax revenues generated ever-growing deficits, tripling the national debt from about $1 trillion to $3 trillion (OMB Table 7.1). The United States fiscal situation was thus profoundly different at the end of the decade, but no Reagan Revolution had taken place in the sense of a “minimalist government—a spare and stingy creature, which offered even-handed public justice, but no more” (Stockman 9).
Undermining the Left in the Future Political and Ideological Configuration

Nevertheless, the new fiscal situation that resulted from the Reagan years, coupled with Reagan’s persistent use of revolutionary rhetoric to define his political legacy even if it was contradicted on many levels by the facts, contributed to making a new political and ideological configuration in which the Left would be marginalized for years to come.

First, income tax rate reductions, bracket indexation, and soaring deficits resulted in a reversal in the logic of tax policymaking. As Don Fullerton explains,

tax policy came to be made in a fashion that is the exact opposite from the previous era. Up until 1981, Congress could return excess tax revenue, and undo the projected surplus, by granting new special exemptions or deductions. After the rate cuts and indexing of ERTA, Congress needed to undo the projected deficit by deleting such special provisions. Thus, deficit reduction also leveled the playing field. (189-190)

Indeed, once the rates had been reduced, it became politically damaging to raise them again. The new approach to raising tax revenue was therefore to continue to pursue low rates while eliminating exemptions or deductions so as to broaden the tax base. This was the basic philosophy behind the Tax Reduction Act of 1986, which brought the top rate down to 28%—its lowest level since the 1920s—while simultaneously deleting a large number of special provisions (Fullerton 202). While the top rate had been above 90% from 1944 to 1963, and 70% when Reagan came to office, it has remained between 31% and 39.6% ever since Reagan’s presidency (Tax Foundation).

In addition, Reagan-era tax reforms—coupled with stagnant real wages, financial deregulation, and anti-unionism—contributed to the relentless rise of inequalities in wealth and income that started in the late 1970s (see Piketty & Saez; CBO). Reagan often justified the 1981 and 1986 top rate reductions—which he counted among his greatest accomplishments—by telling the story about how during the 1940s-1960s he and his Hollywood actor friends would never make more than four films a year because any additional income they made would be taxed at 91% (Reagan, 1990 117; Stockman 10-11). Lowering the rates, he argued, would therefore encourage people to work more (Reagan, 1990 117; Stockman 10-11). As Don Fullerton puts it: “The main point of the supply-side is that incentives matter” (183). Only a small privileged minority, however, had ever been concerned by the 91% rate, which indeed had acted as a buffer against high-income earners accumulating wealth and income beyond a certain point. Although Reagan’s tax cuts did concern all income levels, the huge top rate reductions disproportionately favored high-income groups, for whom the fiscal disincentives for ever-higher incomes were henceforth eliminated. As Thomas Piketty and Emmanuel Saez have shown, the income share of the top 10%, which had remained stable at about 32% between the Second World War and the late 1970s, jumped to 40% between 1980 and 1992. The share of the top 1% alone, which had steadily declined from 15% during the Second World War to 8% in 1977, shot back up to 13% between 1981 and 1986 (Piketty & Saez 8-11). According to a 2011 Congressional Budget Office report, the cumulative growth in after-tax income of the top 1% increased by more than 80% between 1979 and 1988, while that of the bottom 20% decreased by 10%, and that of the middle 20-80% nearly stagnated (+7%). As these new trends were to continue in
subsequent years, with most of the gains being captured by the top 1%, the Reagan presidency can indeed be seen as a turning point in the unequal distribution of income.

Liberal Democrats and radicals could denounce these rising inequalities as much as they liked, but any left-wing solutions involving higher taxes or more government spending and intervention were largely undermined, ironically, by Reagan’s legacy of swelling budget deficits. The evolution of Reagan’s attitude when confronted with the growing deficits is revealing in this regard. One of his economic advisers “recalled the president’s views on the deficit going through three stages: one, they won’t occur; two, they’ll be temporary; three, when they stick, they serve a good purpose—they keep the liberals from new spending programs” (Schulman 238). Indeed, “Reagan’s appeal to and continuous fomenting of anti-tax sentiments,” Hugh Heclo writes, “helped make any idea of increasing taxes to pay for programs an absolute no-go area for all other politicians” (562). This left liberal Democrats attached to the New Deal and Great Society heritage politically isolated, allowing the self-described “neoliberals” (Peters) and “New Democrats” of the Democratic Leadership Council (see DLC) to become the dominant force of the Democratic Party by the early 1990s. The New Democrats denounced the deficits and injustices created during the Reagan years, but their proposed solutions shared Reagan Republicans’ vision for smaller government, balanced budgets, individual responsibility, and welfare reform. In other words, Reagan’s actual policy legacy, coupled with his use of revolutionary rhetoric to promote his policy objectives, substantially changed the terms of the debates among Democrats in the post-Reagan era.

The basic policy orientations of the Reagan administration were formalized in what John Williamson called the “Washington consensus” (7), that is, a standard package of reforms recommended both within the United States and abroad to adapt existing institutions to the new demands of a globalized free market economy. Williamson admitted that Washington did not always “practice what it preaches to foreigners” (7), but it can be argued that this actually worked to consolidate the new conservative-neoliberal consensus in the United States. May it be real or imaginary, revolution is about the future. It is about breaking away from the past and creating a whole new society. Even if no Reagan Revolution actually took place, the rhetoric imposed an ideological equivalency between the idea of revolution and the new reform agenda of free market capitalism. As such, “The Reagan Revolution” became a synonym for America’s future, while both big-government liberalism and left-wing radicalism became symbols of the past. What the Reagan administration had left unachieved then became a task for future politicians to accomplish—be they Democrats or Republicans.

This is apparent in both the rhetoric and content of the Democratic platform of 1992, with New Democrat Bill Clinton as the presidential candidate. The platform fully indulged in the rhetoric of revolution, much like Reagan. Denouncing a 12-year “nightmare of Republican irresponsibility and neglect” that had led, among other things, to an explosion of poverty and a “mountain of public debt,” the platform called for nothing less than “a revolution in government” (Democratic Party 1). “The Revolution of 1992 is about a radical change in the way government operates”—but a change that is not based on “the old notion that there’s a program for every problem,” but rather on “tak[ing] power away from entrenched bureaucracies and narrow interests in Washington and put[ting] it back in the hands of ordinary people” (1). The platform then elaborated a reform program aimed especially at balancing the budget.
(2), promoting “free enterprise and the power of market forces” (2), and expanding individual responsibility so as to “break the cycle of welfare” (5). This did not at all represent a radical departure from Reagan’s policy objectives, despite New Democrats’ promise of a “third way” and a “national economic strategy to invest in people” (2). Thus, just like the “Reagan Revolution,” the “Revolution of 1992” was never about radical regime change; it meant that both Republicans and Democrats agreed that big-government liberalism—let alone alternatives to capitalism—was a thing of the past, while smaller government and freer markets were a blueprint for the future. As President Clinton stated it bluntly in his 1996 State of the Union Address, “The era of Big Government is over” (¶ 7).

With both major political parties now adhering to this basic vision, subsequent political divisions would henceforth be centered on the narrowly tailored reforms needed in order to carry out this agenda. This is why, as previously hinted, some have argued that Clinton and the New Democrats, rather than offering authentic change, actually “completed” or “reengineered” the “Reagan Revolution” (Meeropol; Godwin). The only problem is that there was never a real revolution in the first place—only a shift in policies aimed to conserve the American political and economic system, and the use of revolutionary rhetoric to undermine alternatives to those policies. With the New Democrats now using the term “revolution” to defend policy objectives similar to Reagan’s, the word did not even mean a significant shift anymore, but rather continuity. Partisan posturing and revolutionary rhetoric obscured what was actually a growing consensus.

Conclusion

All things considered, one of the ideological consequences of the Reagan Revolution rhetoric seems to be that it has served as an ideological buffer against the advent of any actual political or economic revolution. If “revolution” no longer means a regime change, but instead a shift to a different reform/counter-reform agenda within the same regime, or just an alternative approach to carrying out a similar agenda, this tends to hollow out the very meaning of the word. Authentically radical political alternatives, such as those that the New Left had tried to popularize in the 1960s, were thus symbolically disqualified and practically undermined, along with New Deal liberalism. In this sense, taking over revolutionary left-wing rhetoric and transforming it into something inoffensive to the established order, while simultaneously isolating left-wing Democrats by making their policy proposals a political no-go zone in the new fiscal and budgetary context—this is what can be seen as part of Ronald Reagan’s real legacy.

This implies that historians and political scientists must be responsible when choosing the terms they use to describe the changes that took place in the United States during the Reagan years and beyond. As we have seen, the term “revolution” seems both misleading and scientifically inadequate to capture the real extent of these changes. Applying the same term to both radical government overthrow and to reforms and counter-reforms within an existing regime fails to capture the difference in nature between these various types of change. This can only cloud our understanding of the actual events. Moreover, by reproducing the rhetoric that politicians use for ideological purposes, historians may willingly or unwillingly reinforce a historical narrative that,
upon further analysis, is betrayed by the facts. Assuredly, the rhetoric itself is part of history and can have a real impact on the course of events. Nevertheless, is it not one of the fundamental tasks of the historical sciences to distinguish between the real and the imaginary?

**BIBLIOGRAPHY**


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NOTES

1. David Stockman served under President Reagan from 1981 to 1985 as the Director of the Office of Management and Budget (OMB). Economist Martin Anderson was a top adviser to Reagan throughout his presidency, first serving as his chief domestic policy advisor (1981-1982), then as a member of the President’s Economic Policy Advisory Board (1982-1989). Peggy Noonan, a columnist for the *The Wall Street Journal*, was one of Reagan’s top speech writers.

2. Scholars debate over whether Nixon was “the last of the liberals, or the first of the conservatives” (Schulman 25). In rhetoric, Nixon spoke of the “limits of what Government alone can do” (Nixon, 1969) and claimed that “Government must learn to take less from people so that people can do more for themselves” (Nixon, 1973). In practice, however, government spending and the number of federal agencies and regulations increased significantly during his presidency. Wilentz (4) and Perlstein (xi) consider the Nixon years as the turning point away from liberal consensus, whereas Hacker and Pierson (96-100) situate the turning point during the Carter years. In any case, most historians would agree that the Reagan presidency was the “culmination” (Schulman 218) of the gradual rise of a conservative movement that gained momentum in the 1970s.

3. The Glorious Revolution of 1688-89 was the primary model for a positive revolution in this sense. Lounissi shows how Thomas Paine (1737-1809), the radical political activist who had witnessed both the American and the French revolutions, was one of the theorists who contributed to changing the meaning of “revolution” by the end of the 18th century to designate the passage from one type of regime to a new one based on entirely different principles (Lounissi 93-94).
4. Ronald Reagan won 50.7% of the popular vote in 1980 and 58.8% of the popular vote in 1984. According to Gallup polls, the president’s average approval rating was 53% during his eight years as president, with a first-term average of 50% and a second-term average of 55%.

5. According to supply-side economic theory, the key to American economic recovery was to liberate businesses and workers from high taxes, regulations, and an expensive welfare state. Businesses could then supply more jobs and goods through increased investment, and workers could supply more work through increased incentives to earn revenue. The free market and the private sector were considered superior to government intervention and the public sector.


ABSTRACTS

Many historical narratives take for granted that a conservative “Reagan Revolution” took place in the 1980s. Though the gap between the reality and the rhetoric of the Reagan era has been subject to historiographical debate, the expression is still used today by Reagan critics and supporters alike. This article suggests that the use of revolutionary rhetoric by American conservatives is an ideological tool that tends to undermine the very meaning of revolution, thus reducing the number of politically viable alternatives that would prompt significant change. This hypothesis is explored in two ways: first, by analyzing how Ronald Reagan presented both his policy objectives and his role in American history in terms of “revolution”; and second, by measuring the extent of a selection of actual changes that took place during and after the 1980s, so as to determine how revolutionary Reagan’s legacy is.

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Mots-clés: Ronald Reagan, révolution, conservatisme, néolibéralisme, réformes politiques
Keywords: Ronald Reagan, revolution, conservatism, neoliberalism, political reform
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