THE REAGAN ADMINISTRATION OR HOW THE WEST WAS WON
SECOND IMPRESSIONS OF THE UNITED STATES

SUMMARY

1. Fundamental changes on the American scene since I served as Vice Consul in New York in 1946. The population has shifted from the frost belt to the sunbelt: California now sends 45 Congressmen to Washington (in 1946 it was 25); New York State sends 34 (47 in 1946). A comparable economic shift: Pennsylvania has declined with steel; California has grown with Silicon Valley. The direct consequence of demographic and economic change is that the political centre of gravity of the US is now in the sunbelt. Reagan the quintessential sunbelt President (paragraphs 1-4).

2. The changing of the guard. Those with war-time and post-war shared experience are retiring from the scene (paragraph 5).

3. The experiences, attitudes and ethics of the sunbelt are different and unfamiliar to us. Reaganomics deeply rooted in How the West was Won. Balanced budget reflects virtue of standing on your own feet. Cutting taxes reflects belief that present discontents come from having government on your back. Emphasis on defence reflects conviction that you need to be strong to survive. In foreign affairs, California is not isolationist but simplistic: it is on the look-out for baddies and the Soviet Union is Public Baddie No 1 (paragraphs 6-9).

4. We need to take these simplicities very seriously. Reagan was elected because he personifies a wish shared by a majority of Americans to return to All-American virtues by which in myth, if not in fact, the West was won. He gets the votes and sets the tone and the goals: the intelligent and hardworking and very conservative members of his Administration work out policies and programmes consistent with them because they share his gut reactions, (paragraphs 10-12).
5. Not an ideal prospect from the European point of view. But Secretary of State Shultz is intelligent enough to understand the complexities of the modern world and wise and cosy enough to be an intermediary with the President. Weinberger is close to the President, intelligent and Anglophile. Reagan "perhaps the last Atlanticist President of the US" (Kissinger) (paragraph 13).

6. We need to understand the West and take it seriously, and renew the data bank of shared experience. Then the special relationship referred to by the President when I presented my credentials will flourish (paragraph 14).
FROM THE AMBASSADOR

The Right Honourable
Francis Pym MC MP
Secretary of State for Foreign
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Foreign and Commonwealth Office
London SW1

1 October 1982

Sir,

THE REAGAN ADMINISTRATION OR HOW THE WEST WAS WON.
SECOND IMPRESSIONS OF THE UNITED STATES.

1. The United States are, or should be, so well-known to anyone reading this despatch that it may be love’s labour’s lost on my part to write it. Nonetheless, this vast continent of a country has changed in so many ways since I first served here as Vice-Consul in New York in 1946 that I put pen to paper not least to order my own thoughts. Fortunately your Department has techniques, refined over the decades, to ensure that you are not burdened with what need not detain you.

2. The first fundamental change to record is the shift of population. The West is still being won. In 1946, New York State was still the most populous state of the Union and New York City the nation’s most important city. In 1982 California is by far the most populous state, and the population of greater Los Angeles has overtaken that of metropolitan New York. The map on page 39 of the "Economist" of 18 September, illustrating the changes in the distribution of congressional seats for the mid-term elections, makes my point for me. New York loses 5 seats in the House of Representatives, Pennsylvania and Ohio 2 each and other North-Eastern states lose 5. Florida gains 4, Texas 3, California 2 and other Southern and Western states gain 5. California now sends 45 Congressmen to Washington: New York State 34.
In 1946 it was New York 47 and California 25. Texas now has 27 House seats to Pennsylvania's 23. In 1946 it was Pennsylvania 35 to Texas 23. The demographic movement of population from the frost belt to the sunbelt even for this mobile nation has been comprehensive. In the 1980 census, the population centre crossed the Mississippi for the first time and is now further South and West than ever before at De Soto, Missouri.

3. Behind this demographic pattern lie fundamental economic changes. Their origins lie in part in the Pacific War. It needed back-up from the Pacific coast, so factories and people moved in to fill a need. And people who got used to working in the sun chose not to return to the snow and ice of the frost belt when the war which brought them to the sun was over. Later, new industries, less dependent on handy sources of raw materials, and in some cases attracted by cheaper, non-unionised labour, settled in the sunbelt. Pittsburgh and Pennsylvania have declined with steel; California has risen with Silicon Valley. Changes in the service sector reflect this. New York City retains its primacy as the most important financial and services centre of North America; but America's biggest bank, the Bank of America, has its headquarters in San Francisco. When President Reagan, like all presidents before him, brought businessmen into his administration, there was no lack of Western tycoons to meet his requirements. The Headquarters of the Bechtel Corporation, which has supplied two of the three cabinet members of most significance to Britain, the Secretary of State, George Shultz, and the Secretary of Defence, Caspar Weinberger, is also located in San Francisco. The third, the Secretary of the Treasury, Donald Regan, comes from New York, but from the dynamic and upstart Merrill Lynch rather than from one of the more venerable banking institutions.

4. These demographic and economic movements have not surprisingly caused the political centre of gravity of the United States to shift from the frost to the sunbelt. One of the consequences, the decline of the East Coast establishment, centred on the ivy league
universities, has been sufficiently noted and bewailed. Another is the accession to power of a real sunbelt President. There have been sunbelt Presidents before: but Johnson (Texas), Nixon (California), Carter (Georgia) have, for different reasons, been warning shots rather than the real thing. Reagan is the real thing. He is the first of his kind, the quintessential sunbelt president who sums up and personifies the shift of power which demographic and economic changes have wrought in the body politic of the United States since I turned from a Vice-Consul into an Ambassador.

5. There is, of course, another change, frequently noted and no less important. It is the changing of the guard which the passage of time has brought in its train. The War and its conduct, the post-war world and its creation have for generations provided continuous transatlantic points of reference in shared experience and assumptions. Now those generations have passed or are passing into retirement. It is perhaps inevitable that the common data bank of knowledge and outlook should sadly have been depleted.

6. None of this would matter if it did not matter. But it does. Otherwise I would not be writing this despatch. It matters because the experience, the attitudes, the ethics of the sunbelt which are now dominant in Washington are different from the experience, the attitudes, the ethics of the frost belt, which are as familiar to us as we are to those who have them. And the practitioners of the new ethics are unfamiliar to us and we are to them, not least, in the case of the leading group, the Californians, because they are farther away: twice as far away in fact. California, Reagan's home state and spiritual home, is a long way away from anywhere; and when you live there it seems even farther. It is, as a matter of fact, 6,000 miles from Europe. It is also 6,000 miles from Japan. Perhaps more important, it is also a long way away from the rest of America. If you fly on a clear day, as I did last January, from Los Angeles to New York, the first 2 hours of the 5-hour flight will be across the quasi-moon landscape of High Sierra, desert states and Rocky Mountains. As a glance at the physical map of the United
States shows, two-fifths of the vast country is moon landscape, and California is on the other side of it, psychologically as well as physically, from the rest of America. As Eliot Janeway, the New York guru, wrote recently in the "Investor's Chronicle", for Californians "foreign affairs begin at the Arizona border".

7. What is the California experience? Although the state was originally opened up by Spanish missionaries from Mexico - the San Gabriel Mission in Los Angeles dates from 1772 - the West was won from the East, thanks to the Gold Rush, by the Oregon, Santa Fe and other trails. It was quite a business winning it. Families had to cross the mountain and desert states and finally the High Sierra before reaching the promised land and to do battle with Indians as well as nature. It was not done with Government help. It was not done with regional subsidies nor the provision of local authority infrastructure. The flag followed the trade. It was done with blood and guts and self-reliance and quickness on the draw. It was simple. It was you or the other guy. It was goodies versus baddies. Today you can do the trip in 2 hours in a 747. In those days you did the journey in a covered wagon and you set off from St Louis at the first thaw and you hoped to sight the Pacific before the winter set in. The trails are littered with human and animal skeletons and the place names speak volumes: Death Valley, Furnace Creek, Funeral Peak. It is the story of a thousand movies, in many of which President Reagan starred. It provides the ethos, today at the core of the Reagan Administration.

8. Reaganomics may be unsophisticated and its component parts self-contradictory, but they are deeply rooted in how the West was won. The balanced budget reflects the virtue of standing on your own feet. Cutting taxes reflects the passionate belief that most of our present discontents come from having government on our backs instead of a horse under our saddles. Increased defence spending reflects the deep conviction that a man needs to be strong to survive.
in a tough world. These three objectives - a balanced budget, tax cuts, more money for defence - are held to be good and true: moreover, they are popular and West and South have a much greater voice in the Congress. The fact that you can't have them all at once is not because they don't work but because the rest of the country, corrupted by the East Coast establishment, has gone soft. Your true West is not soft.

9. A similar innocent simplicity informs the Californian view of the outside world. Although Californian life is self-sufficient, it is not isolationist. Isolationism belongs to the Middle West. I called on Senator Lugar of Indiana one morning when the front pages were monopolised by pictures and stories of the Lebanon massacres and asked him what his constituents, most of whom, it seemed, were milling around in a crowd outside his office, thought of the Middle East. "My constituents" he replied "do not think about the Middle East. They think about jobs and the price of steak". Senator Percy, Chairman of the Senate Foreign Relations Committee recently told me that all four of his recent predecessors had failed to get re-elected after their period as Chairman; and indicated that he expected a similar fate. Which goes some way towards explaining why American legislators are not too keen on foreigners and foreign affairs. Nor is it as Pacific orientated (though obviously it looks to Japan and takes in its imports) as the East Coast is Atlantic orientated. No. But its outlook is a simplistic one. California is on the look out for baddies and Public Baddie No 1 is the Soviet Union, which, like all baddies everywhere, as Reagan pointed out in his campaign rhetoric and maybe at Versailles too, but I wasn't there, is prepared to "lie and cheat" to win out. And baddies, as we all know, have only one proper fate: to bite the dust.
10. We should in my view be guilty of the profoundest error if we were to mock these simplicities and not take them seriously in the formulation of our policies. For they lie at the heart of President Reagan’s home spun philosophy and sense of values — and of his personal popularity. He was chosen to run for President on these innocent-wise simplicities because they are shared by a very great number of Americans and because he has the gift of communicating with his fellow Americans and personifying their fundamentally decent aspirations. The conventional wisdom of the East Coast establishment is that in 1980 Carter was thrown out rather than Reagan voted in. This is only partly true and in any case that is what they would say, wouldn’t they. More true, I suspect, was the desire, after the humiliations of Vietnam, the duplicities of Watergate and the flip-flop of Carter, to return to the original All-American virtues by which, in myth if not in fact, the West was won.

11. If the analysis is anywhere near the truth it may help to explain a curious paradox which has puzzled me since I got to Washington. We have self-evidently a President — how shall I put it? — whom it is difficult to engage in a serious discussion on any subject of contemporary politics; and yet at the same time a President who is effecting a radical change in the nature of these politics. He has attracted a team of intelligent, hard working and reasonably sophisticated men and women of conviction to translate his simple beliefs into policies, programmes and action. Moreover, despite appearances, he is not a man whom it is wise to take lightly. Word circulates quietly in Washington that what really made Reagan mad at Versailles was that Helmut Schmidt made it all too obvious that he thought that what Reagan was saying was not worth listening to. So when Mitterrand went public, the President whose credibility he put at risk was already an angry man.

12. No one in Washington smirks when they are expounding the President’s views or communicating his policies. No one in official and hardly anyone in non-official Washington decries his want of powers of analysis or his inability to argue a closely reasoned case.
They respect him. They do what they do because the President wants it done. I detect no cover-up. Loyalty is sincere. The point for his appointees is that the President has certain gut feelings about domestic and foreign affairs which they share and they are prepared to put their intelligence at the disposal of this All-American nice guy who, they feel, is instinctively right on most things that matter. Moreover, he has the votes, thanks to his ability, in this television age, where the media is the message, to project the image of the nice guy with his heart in the right place. That is, probably, what most Americans would themselves like to be and therefore what they would like the President to be. They see themselves reflected in the television screen when he appears. They trust him to want to do what they would want to do if they were in his place. And most Americans want their President to succeed.

13. This then is the guy with whom we have to deal and with whose instincts we have to live, God willing, for at least the next two years. From a European point of view it is not an ideal prospect. Fortunately, we have in Secretary of State Shultz an intermediary who is intelligent enough to understand the complexities of the modern world and wise enough and cosy enough to be an interlocuteur valable with the President whose ethics he shares and whose aims he advances because he approves of them. Henry Kissinger has written of him, "If I could choose one American to whom I would entrust the nation's fate in a crisis, it would be George Shultz". (The trouble with Haig was that he represented a double threat to the President's peace of mind: he had political ambitions of his own and a restless and abrasive temperament.) Fortunately, too, in Secretary of Defence Weinberger we have a man who is intelligent, close to the President and a confirmed Anglophile. Moreover, their Chief is a man whom Henry Kissinger described in a recent speech in Washington as "perhaps the last Atlanticist President of the United States". (That remark if true, has implications for British policy far beyond the scope of this despatch.)
14. For the present, my purpose is to make the point that the West has been won and is now to be found alive and well and living amid the alien corn in Washington. It is to make the further point that, given the likely continuing importance of the United States to our defence and prosperity, we need to understand the West and take it seriously. Common interests continue to bind us closely to the US. But the Atlantic is wider today than it was and the transatlantic power relationship has altered. With the change of generations, the sort of place America has become, has become less familiar. From this point of view, not least, Freddie Laker is a real loss. We need to renew the data bank of mutual understanding and update our perceptions of each other. If we do - and the proposed Anglo-American Parliamentary Conference at Goodwood in November is a helpful sign - then I see no reason why the special relationship, mentioned by the President in his speech when I presented my credentials, should not continue to flourish whatever the vicissitudes of fortune and fashion. I see it as my principal purpose here to make it do so.

15. I am sending copies of this despatch to Her Majesty's representatives at Bonn, Mexico City, Moscow, Ottawa, Paris, Rome, Tokyo, UKMIS New York, UKDEL NATO; Her Majesty's Consuls General in the USA; and the UK Permanent Representative to the European Community.

I have the honour to be,
Sir,
Your Obedient Servant,

Oliver Wright