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role-playing
mothers preferred to work but stayed home out of
to be a "good mother."

Gloria Steinem,
Hearing, The "Equal Rights"
Amendment, 1970

THE DOCUMENTS

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4. Not all issues have a clearly
conservative or liberal side to them.
However, based on your overall
knowledge of the times, try to assess
the point of view of each author. On
the issue involved in each article,
was the opinion conservative,
moderate, or liberal? What evidence
would you use to support your
conclusion?

THE CONSERVATIVE CHALLENGE, 1980-PRESENT

*In this present crisis, government is not the solution to our problem;
government is the problem.*

President Ronald Reagan, Inaugural Address, January 20, 1981

The resurgence of conservative politics in the 1980s and 1990s was both a national and international phenomenon. The liberal agenda of the New Deal, the Great Society, and the New Left was losing its appeal to American voters about the same time that centralized and socialized market economies were losing their support across Western Europe. However, the most surprising event of the era was the total collapse of communism in Eastern Europe and the Soviet Union. The end of the Cold War significantly diminished the nuclear threat, but the post-Cold War era also created its own uncertainties and anxieties, as the Bush and Clinton presidencies would search for America's role as the lone superpower in a world divided not so much by ideology as by old ethnic, national, and religious hatreds.

The Rise of Conservatism

Even though Barry Goldwater was defeated in a landslide in the election of 1964, his campaign for the presidency marked the beginning of the resurgence of conservatism. The policies of presidents Nixon and Ford and the writings of the political commentator William F. Buckley and the economist Milton Friedman gave evidence in the 1970s of a steady shift to the right, away from the liberalism of the sixties. By 1980, a loose coalition of economic and political conservatives, religious fundamentalists, and political action committees (PACs) had become a potent force for change. These groups were opposed to big government, New Deal liberalism, gun control, feminism, gay rights, welfare, affirmative action, sexual permissiveness, abortion, and drug use, which, in their view, were responsible for undermining family and religious values, the work ethic, and national security.

Leading Issues

By 1980, various activists had taken the lead in establishing a conservative agenda for the nation, which included such diverse causes as lower taxes, improved morals, and reduced emphasis on affirmative action.

Taxpayers' revolt. In 1978, California voters led the revolt against high taxes by passing Proposition 13, a measure that sharply cut property taxes. Nationally, conservatives promoted economist Arthur Laffer's belief that tax cuts would promote economic growth. Two Republican members of Congress, Jack Kemp and William Roth, proposed legislation to reduce federal taxes by 30 percent, which became the basis for the Reagan tax cuts.

Moral revival. Moral decay was a weekly theme of televangelists such as Pat Robertson, Oral Roberts, and Jim Bakker, who by 1980 had a combined weekly audience of between 60 and 100 million viewers. Religion became an instrument of electoral politics, when the Moral Majority, founded by Virginia evangelist Jerry Falwell, financed campaigns to unseat liberal members of Congress. Religious fundamentalists attacked "secular humanism" as a godless creed taking over public education and also campaigned for the return of prayers and the teaching of the Biblical account of creation in the public schools. The legalization of abortion in the *Roe v. Wade* (1973) decision sparked the right-to-life movement that joined together Catholics and fundamentalist Protestants, who believed that human life began at the moment of conception.

"Reverse discrimination." In 1965, President Johnson had committed the U.S. government to a policy of affirmative action to ensure that underprivileged minorities and women would have equal access to education, jobs, and promotions. Suffering through years of recession and stagflation in the 1970s, many white males blamed their troubles on the "reverse discrimination" imposed by the government's support of racial and ethnic quotas. The Supreme Court ruled in their favor in the landmark case of *Regents of the University of California v. Bakke* (1978), by deciding that college admissions could not be based on race alone. After this decision, conservatives intensified their campaign to end all quotas and preferential treatment based on race and ethnic background.

Ronald Reagan and the Election of 1980

Ronald Reagan, a well-known movie and television actor, gained fame among Republicans as an effective political speaker in the 1964 Goldwater campaign. He went on to be elected the governor of California, the nation's most populous state. In 1976 Reagan came close to taking the party's nomination from President Ford. By this time, he was widely recognized as the most effective spokesperson for conservative positions. Handsome and vigorous in his late sixties, he proved a master of the media and was seen by millions as a likable and sensible champion of average Americans.

Campaign for president, 1980. Senator Edward Kennedy's challenge to President Carter for the Democratic nomination left Carter battered in the polls. As the Republican nominee, Reagan attacked the Democratic party's big-government solutions to problems and the loss of U.S. prestige abroad. (Throughout the campaign, American hostages remained in the hands of Iranian radicals.) Reagan also pointed to a "misery index" of 28 (rate of inflation added to the rate of unemployment) and concluded his campaign by asking a huge television audience, "Are you better off now than you were four years ago?" The voters' rejection of Carter's presidency and the growing conservative mood gave Reagan 51 percent of the popular vote and almost 91 percent of the electoral vote. Carter received 41 percent of the popular vote, while a third candidate, John Anderson (a moderate Republican running as an independent), received 8 percent.

Significance. Reagan's election broke up a key element of the New Deal coalition by taking over 50 percent of the blue-collar vote. For the first time since 1954, the Republicans gained control of the Senate by defeating 11 liberal Democrats targeted by the Moral Majority. The Republicans also gained 33 seats in the House, which when combined with the votes of conservative southern Democrats would give them a working majority on many key issues. Political analysts marked the 1980 election as the end of a half century of Democratic dominance of Congress.

The Reagan Revolution

On the very day that Reagan was inaugurated, the Iranians released the 52 American hostages, giving his administration a positive start. Two months later, the president survived a serious gunshot wound from an assassination attempt. Reagan handled the crisis with such humor and charm that he emerged from the ordeal as an even more popular leader. He pledged that his administration would lower taxes, reduce government spending on welfare, build up the U.S. armed forces, and create a more conservative federal court. He delivered on all four promises—but there were some costs.

Supply-Side Economics

The Reagan administration advocated supply-side economics, arguing that tax cuts reduced government spending, would increase investment by the private sector, and lead to increased production, jobs, and prosperity. This approach contrasted with the Keynesian economics long favored by the Democrats, which relied on government spending to boost consumer income and demand. The supply-side theory reminded critics of the "trickle-down" economics of the 1920s, in which wealthy Americans prospered, and some of their increased profits and spending benefited the middle class and the poor.

Federal tax reduction. The legislative activity early in Reagan's presidency reminded some in the media of FDR's Hundred Days. Congress passed most of the tax cuts that Reagan asked for, including a 25 percent decrease in personal income taxes over three years. Cuts in the corporate income tax, capital gains tax, and gift and inheritance taxes guaranteed that a large share of the tax relief went to upper-income taxpayers. Under Reagan, the top income tax rate was reduced to 28 percent. At the same time, small investors were also helped by a provision that allowed them to invest up to \$2,000 a year in Individual Retirement Accounts (IRAs) without paying taxes on this money.

Spending cuts. With the help of conservative southern Democrats ("boll weevils"), the Republicans cut over \$40 billion from domestic programs, such as food stamps, student loans, and mass transportation. These savings were offset, however, by a dramatic increase in military spending. No cuts in Medicare or Social Security were passed, but the Social Security system was made more solvent by legislation that raised the retirement age and taxed benefits paid to upper-income recipients.

Deregulation

Following up on the promise of "getting government off the backs of the people," the Reagan administration reduced federal regulations on business and industry—a policy of deregulation begun under Carter. Restrictions were eased on savings and loan institutions, mergers and takeovers by large corporations, and environmental protection. To help the struggling American auto industry, regulations on emissions and auto safety were also reduced. Secretary of the Interior James Watt opened federal lands for increased coal and timber production and offshore waters for oil drilling.

Labor Unions

Despite having once been the president of the Screen Actors Guild, Reagan took a tough stand against unions. He fired thousands of striking federal air traffic controllers for violating their contract and decertified their union (PATCO). Many businesses followed this action by hiring striker replacements in labor conflicts. Government's support of this antiunion drive hastened the decline of labor unions during the 1980s. In addition, the recession of 1982 and foreign competition had a dampening effect on workers' wages.

Recession and Recovery

In 1982, the nation suffered the worst recession since the 1930s. Banks failed and unemployment reached 11 percent. At the same time, however, the recession along with a fall in oil prices reduced the double-digit inflation rate of the late 1970s to less than 4 percent. As the policies of Reaganomics took

hold, the economy rebounded and beginning in 1983 entered a long period of recovery. The recovery, however, only widened the income gap between rich and poor. While upper-income groups and "yuppies" (young urban professionals) enjoyed higher incomes and material benefits from a deregulated marketplace, the standard of living of the middle class remained stagnant during the 1980s and early 1990s.

Social Issues

President Reagan followed through on his pledge to appoint conservative judges to the Supreme Court by nominating Sandra Day O'Connor, the first woman on the Court, as well as Antonin Scalia and Anthony Kennedy. Led by a new chief justice, William Rehnquist, the Supreme Court scaled back affirmative action in hiring and promotions and limited *Roe v. Wade* by allowing states to impose certain restrictions on abortion, such as requiring minors to notify their parents before having an abortion.

The Election of 1984

The return of prosperity, even if not fully shared by all Americans, restored public confidence in the Reagan administration. At their convention in 1984, Republicans nominated their popular president by acclamation. Among Democrats, Jesse Jackson became the first African American politician to make a strong run for the presidency by seeking the support of all minority groups under the banner of the *rainbow coalition*. The Democratic majority, however, nominated Walter Mondale, Carter's vice president, to be their presidential candidate and Representative Geraldine Ferraro of New York to be the first woman to run for vice president.

Reagan easily defeated the liberal Mondale, taking every state except Mondale's home state of Minnesota. Two-thirds of white males voted for Reagan. Analysis of voting returns indicated that only two groups still favored the Democrats: African Americans and those earning less than \$12,500 a year.

Budget and Trade Deficits

By the mid-1980s, Reagan's tax cuts combined with large increases in military spending were creating federal deficits of over \$200 billion a year. Over the course of Reagan's two terms as president, the national debt tripled from about \$900 billion to almost \$2.7 trillion. The tax cuts, designed to stimulate investments, seemed only to increase consumption, especially of foreign-made luxury and consumer items. As a result, the U.S. trade deficit reached a staggering \$150 billion a year. The cumulative trade imbalance of \$1 trillion during the 1980s contributed to a dramatic increase in the foreign ownership of U.S. real estate and industry. In 1985, for the first time since the World War I era, the United States became a debtor nation.

In an effort to keep the federal deficit under control, Congress in 1985 passed the Gramm-Rudman-Hollings Balanced Budget Act, which provided for across-the-board spending cuts. Court rulings and later congressional changes kept this legislation from achieving its full purpose, but Congress was still able to reduce the deficit by \$66 billion from 1986 to 1988.

Impact of Reaganomics

President Reagan's two terms reduced restrictions on a free-market economy and left more money in the hands of investors and higher income Americans. Reagan's policies also succeeded in containing the growth of the New Deal-Great Society welfare state. Another legacy of the Reagan years were the huge federal deficits, which were to change the context of future political debates. With yearly deficits running between \$200–\$300 billion, it no longer seemed reasonable for either Democrats or Republicans to propose new social programs, such as universal health coverage. Instead of asking what new government programs might be needed, Reaganomics changed the debate to issues of what government programs to cut and by how much.

Foreign Policy During the Reagan Years

Reagan started his presidency determined to restore the military might and superpower prestige of the United States and to intensify the Cold War competition with the Soviet Union. He called the Soviet Communists "the focus of evil in the modern world." Reagan was prepared to use military force to back up his rhetoric. During his second term, however, he proved flexible enough in his foreign policy to respond to significant changes in the Soviet Union and its satellites in Eastern Europe.

Renewing the Cold War

Increased spending for defense and aid to anticommunist forces in Latin America were the hallmarks of Reagan's approach to the Cold War during his first term.

Military buildup. Secretary of Defense Caspar Weinberger projected a doubling of the defense budget by 1986. He proposed spending billions to build new weapons systems, such as the B-1 bomber and the MX missile, and to expand the U.S. Navy from 450 to 600 ships. The Reagan administration also increased spending on the Strategic Defense Initiative (SDI), an ambitious plan for building a high-tech system of lasers and particle beams to destroy enemy missiles before they could reach U.S. territory. Critics called the SDI "Star Wars" and argued that the costly program would only escalate the arms race and could be overwhelmed by the Soviets building more missiles. Although Congress made cuts in the Reagan proposals, the defense budget grew from \$171 billion in 1981 to over \$300 billion in 1985.

Central America. In the Americas, Reagan supported "friendly" right-wing dictators to keep out communism and also worked to overthrow Marxist regimes such as the one that had taken over Nicaragua in 1979. CIA director William Casey used covert action in an unsuccessful attempt to overthrow the Marxist Sandinista regime in Nicaragua. Large amounts of U.S. military aid went to the "contras," antifascist rebels in Nicaragua who fought the Sandinistas in an attempt to seize power. In 1985, Democrats opposed to the administration's policies in Nicaragua passed the Boland Amendment prohibiting further aid to the contras.

In El Salvador, meanwhile, the Reagan administration spent nearly \$5 billion to support the Salvadoran government against a coalition of leftist guerrillas. Many Americans protested the killing of more than 40,000 civilians, including American missionaries, by right-wing "death squads" with connections to the El Salvador army.

Grenada. On the small Caribbean island of Grenada, a coup led to the establishment of a pro-Cuban regime. In October 1983, President Reagan ordered a small force of marines to invade the island in order to prevent the establishment of a strategic Communist military base in the Americas. The invasion quickly succeeded in reestablishing a friendly government in Grenada.

Iran-contra affair. If Grenada was the notable military triumph of Reagan's presidency, his efforts to aid the Nicaraguan contras involved him in a serious blunder and scandal. The so-called Iran-contra affair had its origins in a serious blunder with Iran. Since 1980, Iran and Iraq had been engaged in a bloody war. National Security adviser Robert McFarland came up with the plan—kept secret from the American public—of selling U.S. antitank and antiaircraft missiles to Iran's government for its help in freeing the Americans held hostage by a radical Arab group. In 1986, Oliver North, a staff member of the National Security Council, proposed using the profits of the arms deal with Iran to fund the contras in Nicaragua.

President Reagan denied that he had knowledge of the illegal diversion of funds—illegal in that it violated both the Boland Amendment and congressional budget authority. The picture that emerged from a televised congressional investigation was of an uninformed, hands-off president who was easily manipulated by his advisers. Reagan suffered a sharp, but temporary, drop in the popularity polls. He would leave office with his reputation intact as one of the most popular presidents of the twentieth century.

Lebanon, Israel, and the PLO

Reagan's foreign policy suffered a series of setbacks in the Middle East. In 1982, Israel (with U.S. approval) invaded southern Lebanon to stop PLO terrorists from raiding Israel. Soon the United States became involved in helping to evacuate the PLO to a safe haven and in providing peacekeeping forces to Lebanon in an effort to contain that country's bitter civil war. In April 1983

an Arab suicide squad bombed the U.S. embassy in Beirut, killing 63 people. A few months later, another Arab terrorist drove a bomb-filled truck into the U.S. Marines barracks, killing 241 servicemen. In 1984, Reagan pulled U.S. forces out of Lebanon, with little to show for the effort and loss of lives.

Secretary of State George Schultz pushed for a peaceful settlement of the Palestinian-Israeli conflict by setting up a homeland for the PLO in the West Bank territories occupied by Israel since the 1967 war. Under American pressure, PLO leader Yassir Arafat agreed in 1988 to recognize Israel's right to exist. Amid increasing terrorism in the Middle East, small but significant steps were being taken toward an Arab-Israeli settlement.

Improved U.S.-Soviet Relations

The Cold War intensified in the early 1980s as a result of both Reagan's arms buildup and the Soviet deployment of a larger number of missiles against NATO countries. In 1985, however, a dynamic reformer, Mikhail Gorbachev, became the new Soviet leader. Gorbachev attempted to change Soviet domestic politics by introducing two major reforms: (1) *glasnost*, or openness, to end political repression and move toward greater political freedom for Soviet citizens, and (2) *perestroika*, or restructuring of the Soviet economy by introducing some free-market practices. To achieve his reforms, Gorbachev had to end the costly arms race and deal with a deteriorating Soviet economy.

In 1987, after two earlier attempts, Gorbachev and Reagan agreed to remove and destroy all intermediate-range missiles (the INF agreement). In 1988, Gorbachev further reduced Cold War tensions by starting the pullout of Soviet troops from Afghanistan. He also cooperated with the United States in putting diplomatic pressure on Iran and Iraq to end their war. By the end of Reagan's second term, relations between the two superpowers had so improved that the end of the Cold War seemed at hand.

Assessing Reagan's policy. The Reagan administration would claim that its military buildup forced the Soviet Union to concede defeat and abandon the Cold War. Others would give credit to George Kennan's containment policies and to Gorbachev's initiative. Regardless of what caused the Soviets to change their policy, President Reagan must be credited with responding to the opportunity to end the Cold War. By the time Reagan's second term came to a close in 1988, many Americans wished he could continue for another four years, but the constitutional limit forced him into retirement. Ronald Reagan's combination of style, humor, and patriotism had won over the electorate. In many ways, he had enjoyed a charmed life in politics. He was the first president since Eisenhower to complete two terms in the White House.

President Bush and the End of the Cold War

The Cold War had threatened the very existence of the planet and of humankind. At the same time, ever since 1945, it had given clear purpose and

structure to U.S. foreign policy. What would be the U.S. role in the world after the Cold War? George Bush, a former ambassador to the United Nations and director of the CIA, became the first president to define the U.S. role in the new era.

The Election of 1988

The Democrats regained control of the Senate in 1986 and hoped that the Iran-contra scandal and the huge deficits under Reagan would hurt the Republicans in the presidential race of 1988. Michael Dukakis, governor of Massachusetts, won the Democratic nomination and balanced the ticket by selecting Senator Lloyd Bentsen of Texas as his running mate. The Republican candidates were Reagan's vice president, George Bush, and a young Indiana senator, Dan Quayle. Bush was no Reagan in front of the camera, but he quickly overtook an expressionless Dukakis by charging that the Democrat was soft on crime (for furloughing criminals) and weak on national defense. Bush also appealed to voters by promising not to raise taxes: "Read my lips—no new taxes."

The Republicans won a decisive victory in November by a margin of 7 million votes. Once again, the Democrats failed to win the confidence of most white middle-class voters. Nevertheless, the voters sent mixed signals by returning larger Democratic majorities to both the House and the Senate. Americans evidently believed in the system of checks and balances, but unfortunately it often produced legislative gridlock in Washington.

The Collapse of Soviet Communism and the Soviet Union

The first years of the Bush administration were dominated by dramatic changes in the Communist world.

Tiananmen Square. In China during the spring of 1989, prodemocracy students demonstrated for freedom in Beijing's Tiananmen Square. Television cameras from the West broadcast the democracy movement around the world. Under the cover of night, the Chinese Communist government crushed the protest with tanks, killing hundreds and ending the brief flowering of an open political environment in China.

Eastern Europe. Challenges to communism in Eastern Europe produced more positive results. Gorbachev declared that he would no longer support the various Communist governments of Eastern Europe with Soviet armed forces. Starting in Poland in 1989 with the election of Lech Walesa, the leader of the once outlawed Solidarity movement, the Communist party fell from power in one country after another—Hungary, Czechoslovakia, Bulgaria, and Romania. The Communists in East Germany were forced out of power after protesters tore down the Berlin Wall, the hated symbol of the Cold War. In October 1990, the two Germanys, divided since 1945, were finally reunited with the blessing of both NATO and the Soviet Union.

Breakup of the Soviet Union. The swift march of events and the nationalist desire for self-determination soon overwhelmed Gorbachev and the Soviet Union. In 1990 the Soviet Baltic republics of Estonia, Latvia, and Lithuania declared their independence. After a failed coup against Gorbachev by Communist hard-liners, the remaining republics dissolved the Soviet Union in December 1991, leaving Gorbachev a leader with no country. Boris Yeltsin, president of the Russian Republic, joined with nine former Soviet republics to form a loose confederation, the Commonwealth of Independent States (CIS). Yeltsin disbanded the Communist party in Russia and attempted to establish a democracy and a free-market economy.

End of the Cold War. Sweeping agreements to dismantle their nuclear weapons were one tangible proof that the Cold War had ended. Bush and Gorbachev signed the START I agreement in 1991, reducing the number of nuclear warheads to under 10,000 for each side. In late 1992, Bush and Yeltsin agreed to a START II treaty, which reduced the number of nuclear warheads to just over 3,000 each. The treaty also offered U.S. economic assistance to the troubled Russian economy.

Even as Soviet communism collapsed, President Bush, a seasoned diplomat, remained cautious. Instead of celebrating final victory in the Cold War, Americans grew concerned about the outbreak of civil wars and violence in the former Soviet Union. In Eastern Europe, Yugoslavia started to disintegrate in 1991, and a civil war broke out in the provinces of Bosnia and Herzegovina in 1992. At home, the end of the Cold War raised questions about whether the need still existed for heavy defense spending and large numbers of U.S. military bases.

Invasion of Panama

Since the outbreak of the Cold War in the 1940s, U.S. intervention in foreign conflicts had been consistently tied to the containment of communism. In December 1989, U.S. troops were used for a different purpose, as Bush ordered the invasion of Panama to remove the autocratic General Manuel Noriega. The alleged purpose of the invasion was to stop Noriega from using his country as a drug pipeline to the United States. U.S. troops remained until elections established a more creditable government.

Persian Gulf War

President Bush's hopes for a "new world order" of peace and democracy were challenged in August 1990 when Iraq's dictator, Saddam Hussein, invaded oil-rich but weak Kuwait and threatened Western oil sources in Saudi Arabia and the Persian Gulf. President Bush successfully built a coalition of United Nations members to put pressure on Hussein to withdraw from Kuwait. A U.N. embargo against Iraq, however, had little effect. Bush won congressional approval for a military campaign to roll back Iraq's act of aggression. In January

1991, in a massive operation called Desert Storm, over half a million Americans were joined by military units from 28 other nations. Five weeks of relentless air strikes were followed by a brilliant ground war conducted by U.S. General Norman Schwarzkopf. After only 100 hours of fighting on the ground, Iraq was forced to concede defeat.

Some Americans were disappointed that the United States stopped short of driving Saddam Hussein from power in Iraq. Nevertheless, after the victory, Bush enjoyed a boost in his approval rating to nearly 90 percent.

Domestic Problems

President Bush's political future seemed secure based on his foreign policy successes, but a host of domestic problems dogged his administration.

Nomination of Clarence Thomas. The president's nomination of Clarence Thomas to the Supreme Court to replace the retiring Thurgood Marshall proved extremely controversial. Thomas's conservative views on judicial issues were attacked by African American organizations, and charges of sexual harassment against him were widely believed by millions of women. Nevertheless, the Senate confirmed Thomas' nomination.

Taxes and the economy. Americans were shocked to learn that the government's intervention to save weak savings and loan institutions and to pay insured depositors for funds lost in failed S&L's would cost the taxpayers over \$250 billion. Also disturbing was the idea that federal budget deficits over \$250 billion a year added over \$1 trillion to the national debt during the Bush presidency. Thousands of Republican voters felt betrayed when, in 1990, Bush violated his campaign pledge of "no new taxes" by agreeing to accept Congress' proposed \$133 billion in new taxes. The unpopular tax law increased the top income tax rate to 31 percent and raised federal excise taxes on beer, wine, cigarettes, gasoline, and luxury cars and boats. Most damaging of all for Bush's reelection prospects was a recession starting in 1990 that ended the Reagan era of prosperity, increased unemployment, and decreased average family income.

Political inertia. President Bush began his administration calling for "a kinder, gentler America" and declaring himself the "education president." He did sign into law the Americans With Disabilities Act (1990), which prohibited discrimination against citizens with physical and mental disabilities in hiring, transportation, and public accommodation. Outside of this accomplishment, the president offered little in the way of domestic policy. In the midst of recession, he emphasized cuts in federal programs. This seemed to offer little hope to growing numbers of Americans left behind by the "Reagan revolution."

The Clinton Years, 1993–2001: Prosperity and Partisanship

During the last years of the 20th century, the United States enjoyed a period of unrivaled economic growth and technological innovation. The end

of the Cold War allowed Americans to focus more on economic and domestic issues. But, during this period, American politics became more divided, bitter and scandal-driven.

Anti-Incumbent Mood

A stagnant economy, huge budget deficits, and political deadlock fueled a growing disillusionment with government, especially as practiced in the nation's capital. The movement to impose term limits on elected officials gained popularity on the state level, but the Supreme Court ruled in *U.S. Term Limits, Inc. v. Thornton* (1995) that the states could not limit the tenure of federal lawmakers without a constitutional amendment.

Another reflection of Americans' disillusionment with Washington politics was the ratification in 1992 of the Twenty-seventh Amendment. First proposed by James Madison in 1789, this amendment prohibited members of Congress from raising their own salaries. Future raises could not go into effect until the next session of Congress.

The Election of 1992

As expected, George Bush was nominated by the Republicans for a second term. After a long career in public service, the president seemed tired and out of touch with average Americans, who were more concerned about their paychecks than with Bush's foreign policy successes.

William Jefferson Clinton. Among Democrats, Bill Clinton, the youthful governor of Arkansas, emerged from the primaries as his party's choice for president. The first member of the baby-boom generation to be nominated for president, Clinton proved an articulate and energetic campaigner. He presented himself as a moderate "New Democrat," who focused on economic issues such as jobs, education, and health care, which were important to the "vital center" of the electorate. The strategy was known among his political advisers as: "It's the economy, stupid!"

H. Ross Perot. Ross Perot, a Texas billionaire, entered the 1992 race for president as an independent. Able to use his own resources to finance a series of TV commercials, Perot appealed to millions with his anti-Washington, anti-deficit views. On election day, Perot captured nearly 20 percent of the popular vote for the best third-party showing since Theodore Roosevelt and the Bull Moose campaign of 1912.

Results. Despite the serious challenge from Perot, the front-runners still divided up all the electoral votes: 370 for Clinton (and 43 percent of the popular vote), 168 for Bush (37 percent of the popular vote). Clinton and his running mate, Senator Albert Gore of Tennessee, did well in the South and recaptured the majority of the elderly and blue-collar workers from the Republicans. In addition, the Democrats again won control of both houses of Congress. The

new Congress better reflected the diversity of the U.S. population. Among its 66 minority members and 48 women was Carol Moseley-Braun of Illinois, the first African American woman to be elected to the Senate.

Clinton's First Term (1993–1997)

The early years of Bill Clinton's presidency were marked by controversies over his cabinet nominations, his failed effort to lift the ban on homosexuals in the military, scandals in the White House travel office, and his connection to the failed Whitewater real estate deal in Arkansas.

Setbacks. During the first two years of the Clinton administration, the Republicans, by filibustering in the Senate, were able to kill the president's economic stimulus package, campaign-finance reform, environmental bills, and health care reform. The president's use of his wife, Hillary Rodham Clinton, as the chief architect of his program for universal health coverage backfired. The Clintons' complicated proposal for managed health care ran into determined opposition from the insurance industry and small business organizations. By the end of 1994, the Republicans had managed to stop all the Democrats' proposals for health care reform.

Early accomplishments. The Democratic Congress started out in 1993 by passing the Family and Medical Leave Act and the "motor-voter" law that enabled citizens to register to vote as they received their driver's licenses. The Brady Handgun bill, which mandated a five-day waiting period for the purchase of handguns, was enacted. In 1994, Congress enacted Clinton's Anti-Crime Bill, which provided \$30 billion in funding for more police protection and crime-prevention programs. The legislation also banned the sale of most assault weapons, which angered the gun lobby. After protracted negotiation and compromise, Congress passed a deficit-reduction budget that included \$255 billion in spending cuts and \$241 billion in tax increases. Incorporated in this budget were the president's requests for increased appropriations for education and job training. Clinton also won a notable victory by signing the North American Free Trade Agreement (NAFTA), which created a free-trade zone with Canada and Mexico. Despite these accomplishments, Clinton's apparent waffling on policies and eagerness to compromise seemed to confirm his negative image, as "Slick Willie."

Republicans Take Over Congress

In the midterm elections of November 1994, the Republicans gained control of both houses of Congress for the first time since 1954. They benefited from the perception that the Democratic Congress was inept and dedicated to increasing taxes and federal regulations. President Clinton adjusted to his party's defeat by declaring in his 1995 State of the Union address, "The era of big government is over."

Zealous Reformers. Newt Gingrich, the newly elected Speaker of the House, led the Republicans in an attack on federal programs and spending outlined in their campaign manifesto, "Contract with America." While the president and moderates agreed with the goal of a balanced budget, Clinton proposed a "leaner, not meaner" budget. This confrontation resulted in two shutdowns of the federal government in late 1995, which many Americans blamed on an overzealous Congress. Antigovernment reformers were not helped by the mood after the bombing in 1995 of a federal building in Oklahoma City by militia-movement extremists. The bombing took 169 lives, the worst act of terrorism in the nation's history.

Balanced Budget. Finally, in the 1996 election year, Congress and the president compromised on a budget that left Medicare and Social Security benefits intact, limited welfare benefits to five years under the Personal Responsibility and Work Opportunity Act, set some curbs on immigrants, increased the minimum wage, and balanced the budget. The spending cuts and tax increases made during Clinton's first term, along with record growth in the economy, helped to eliminate the deficit in federal spending in 1998 and produced the first federal surplus since 1969. In his battle with the Republican Congress, President Clinton captured the middle ground by successfully characterizing the Republicans as extremists, and by taking over their more popular positions, such as balancing the budget and reforming welfare. He was also aided in the 1996 election by a fast-growing economy that had produced over 10 million new jobs.

The Election of 1996

Senator Bob Dole of Kansas, the majority leader of the Senate, became Clinton's Republican opponent. His campaign, which proposed a 15 percent tax cut, never captured the voters' imagination. Character attacks and massive campaign spending by both sides did little to bring more people to the polls, and the turnout dropped below 50 percent of eligible voters.

The Clinton-Gore ticket won with 379 electoral votes (49.2 percent of the popular vote), while Dole and his running mate, Jack Kemp, captured 159 electoral votes (40.8 percent of the popular vote). Ross Perot ran again, but had little impact on the election. President Clinton became the first Democrat since Franklin Roosevelt to be reelected president. The Republicans could celebrate retaining control of both houses of Congress, which they had not done since the 1920s.

Clinton's Second Term: Prosperity and Poisonous Politics

During President Clinton's second term (1997–2001), the United States enjoyed the longest peacetime economic expansion in its history, with annual growth rates of over 4 percent. Technological innovations in computers, the Internet, and wireless communications fueled increased national productivity

(a gain of over 5 percent in 1999) and made "e- (or electronic) commerce" part of American life. After years of heavy competition with Europe and Asia, American businesses had become proficient in cutting costs, which both increased their profitability and held down the U.S. inflation rate to 2–3 percent a year. Investors were rewarded with record gains in the stock market (over 22 percent average annual gains in Standard and Poor's Index of 500 leading stocks). The unemployment rate fell from 7.5 percent in 1992 to a 30-year low of 3.9 percent in 2000, and unemployment for African Americans and Hispanics was the lowest on record. For the first time since 1973, average- and lower-income Americans experienced significant gains in real income (median household income in 1999 was \$40,816). The number of households with a net worth of \$1 million or more quadrupled in the 1990s, to over 8 million, or one in 14 households.

Issues of the Surplus. The prosperity of the late 1990s shifted the debate in Washington to what to do with the federal government's surplus revenues, projected to be \$4.6 trillion over the first ten years of the 21st century. In 1997 Congress and the president did compromise on legislation that cut taxes on estates and capital gains, and gave tax credits for families with children and for higher education expenses. As Clinton's second term progressed, the struggle between the Democratic president and the Republican Congress intensified. The Republicans pressed for more tax revenue cuts, such as the elimination of the "death tax" (estate taxes) and the "marriage penalty" (taxes on support income families), while the president held out for using the surplus to support Social Security, expand Medicare, and reduce the national debt. Often, second-term administrations produce few accomplishments and are viewed as "lame ducks," but Bill Clinton suffered the additional burden of becoming only the second president in United States history to be impeached by the House and tried for removal by the Senate.

Investigations and Impeachment. From the early days of the Clinton presidency, President Clinton, his wife, Hillary, cabinet members, and other associates had been under investigation by Congress and by congressionally appointed independent prosecutors (a legacy of the independent prosecutor law of the Watergate era). Some Democrats viewed these investigations as a "right-wing conspiracy" to overturn the elections of 1992 and 1996. After long and expensive investigations, the Clintons were not charged with illegalities in the Whitewater real estate deal, the firings of White House staff ("Travelgate"), or the political use of FBI files ("Filegate"). However, independent prosecutor Kenneth Starr charged that President Clinton, during his deposition in a civil suit about alleged sexual harassment while governor of Arkansas, had lied about his relations with a young woman who had served as a White House intern.

Impeachment. In December 1998, the House voted to impeach the president on two counts, perjury and obstruction of justice. Members of both parties

and the public condemned Clinton's reckless personal behavior, but popular opinion did not support the largely Republican attempt to remove him from office. In the fall elections, Democrats gained House seats and Newt Gingrich resigned as speaker. In February 1999, after a formal trial in the Senate, neither impeachment charge was upheld even by a Senate majority, much less the two-thirds vote needed to remove a president from office. Congress in 2000 allowed the law establishing the independent prosecutor's office to lapse. Some hoped this was a step to clear the toxic atmosphere in the nation's capital.

Foreign Policy in the Clinton Administration

The end of the Cold War, while taking away the Soviet threat, exposed dozens of long-standing ethnic, religious, and cultural conflicts in a world of 190 nations. During Clinton's first term, Secretary of State Warren Christopher conducted a low-key foreign policy, which critics thought lacked coherent purpose. In 1997 Madeleine K. Albright became the first woman to serve as secretary of state. She proved more assertive in the use of American power, but questions still remained about the role of the United States, especially the use of its armed forces for peacekeeping in foreign nations' internal conflicts.

Peacekeeping. The first deaths of U.S. soldiers in humanitarian missions during the Clinton administration came in the civil war in Somalia in 1993. In 1994, after some reluctance, the president sent 20,000 troops into Haiti to restore its elected president, Jean-Bértrand Aristide, after a military coup and deteriorating economic conditions had caused an exodus of Haitians to Florida. The United States also played a key diplomatic role in negotiating an end to British rule and the armed conflict in Northern Ireland in 1998.

Europe. Under President Boris Yeltsin, Russia struggled with attempted economic reforms and rampant corruption. In 2000 his elected successor, Vladimir Putin, had to deal with the physical breakdown of systems, such as Russia's space station, and the accidental sinking of a nuclear submarine. Relations with the United States were strained by Russia's brutal repression of the civil war in Chechnya, the admittance in 1999 of the Czech Republic, Hungary, and Poland to NATO, and by Russia's support of Serbia in the Balkan wars of the 1990s. In the latter, Serbian dictator Slobodan Milosevic carried out a series of armed conflicts to suppress independence movements in the former Yugoslav provinces of Slovenia, Croatia, and Bosnia, and in Kosovo. Hundreds of thousands of members of ethnic and religious minorities were killed in a process that was labeled "ethnic cleansing." A combination of diplomacy, bombing, and troops from NATO countries, including the United States, stopped the bloodshed first in Bosnia in 1995 and again in Kosovo in 1999. The Serbian people themselves removed Milosevic from power in the 2000 election, and an international tribunal sought to try him for the crime of genocide. These Balkan wars proved to be the worst conflict Europe had seen since World War II, and were a troubling reminder of how World War I had started.

The Conservative Challenge, 1980–Present

Asia. Nuclear proliferation became a growing concern in the 1990s, when North Korea stepped up its nuclear reactor and missile programs, and India and Pakistan tested nuclear weapons for the first time in 1998. Both South Korea and the United States improved their relations with North Korea, after the latter agreed to abandon its apparent effort to develop nuclear weapons. In 1995, 20 years after the fall of Saigon to the Communists, the United States established diplomatic relations with Vietnam. The Clinton administration continued to sign trade agreements with China through his second term, hoping to improve diplomatic relations and encourage reform within China, despite protests from human rights activists and labor unions at home, and Chinese threats to the still-independent island nation of Taiwan.

Middle East. Iraqi leader Saddam Hussein's continued defiance of UN weapons inspectors led to the suspension of all inspections in 1998. President Clinton responded with a series of air strikes against Iraq, but Hussein remained in power, as support for U.S. economic sanctions declined in Europe and the Middle East. The United States continued to assist in the Israeli-Palestinian peace process, which resulted in the return of home rule to the Palestinians in the Gaza strip and parts of the West Bank territories, and the signing of a peace treaty with King Hussein of Jordan in 1994. The peace process slowed after the assassination of Israeli Prime Minister Yitzhak Rabin in 1995, and it broke down late in 2000 over issues of Israeli security and control of Jerusalem. Renewed violence in Israel also provoked a new round of anti-American sentiment in the Islamic world.

Terrorism. If the United States in the 1990s needed to worry less about direct nuclear or conventional attack from a nation-state, the bombing of the World Trade Center in New York City in 1993, for which militant Islamic extremists were accused and tried, brought home the threat of international terrorism. The United States responded to the bombing of two U.S. embassies in Africa in 1998 by bombing suspected terrorist camps in Afghanistan. But the U.S. armed forces learned in 2000 about the nature of "asymmetric" warfare, when two terrorists in a small boat nearly sank a billion-dollar warship, the U.S.S. *Cole*, docked in Yemen. President Clinton warned UN members of the future dangers of terrorist groups armed with "homemade" or stolen nuclear weapons. However, in Washington the Senate rejected the Comprehensive Nuclear Test Ban Treaty, which had been signed by most major nations.

The Election of 2000

President Clinton remained popular among Democrats, and Al Gore, his vice president, easily captured the party's nomination. Gore selected Senator Joseph Lieberman of Connecticut as his vice-presidential running mate. Lieberman was the first Jewish American to run for national office. Governor George W. Bush of Texas, the elder son of former President Bush, gained the nomination of the Republican party, and selected Dick Cheney, his father's former secretary

of defense, as his running mate. Both presidential candidates fought to win the moderate and independent vote, Gore as a champion of "working families" and Bush as a "compassionate conservative."

Disputed Results. Over 100 million voters turned out in one of the closest presidential elections in United States history. Gore received 500,000 more popular votes nationwide than Bush, but in the five weeks following the election, both candidates battled in the courts over Florida's 25 electoral votes. Bush led by only 537 popular votes after a partial recount, but Democrats asked for an additional manual recount, because many punch card ballots were undercounted. The Supreme Court of Florida ordered hand recounts of the votes, but the Republicans appealed the decision in the federal courts. In the case *Bush v. Gore*, the United States Supreme Court, in a 5-4 decision, essentially made George W. Bush president. The court ruled that the varying standards used in Florida's hand recount violated the equal-protection clause of the 14th Amendment, and that there was not enough time left to conduct a lawful recount. Vice President Gore ended the election crisis by accepting the Supreme Court's ruling. Governor Bush won with 271 electoral votes, against Gore's 266 (one Democratic elector abstained). This was the closest electoral victory since the disputed election of 1876 in which Rutherford B. Hayes won by one electoral vote. The election was a long civics lesson for Americans, but it also exposed the imperfect voting procedures used in many places and the undemocratic aspects of the electoral college system.

The Bush Presidency. In 2001, President Bush faced an evenly divided Senate (50-50) and a thin Republican majority in the House of Representatives (221-211). Bush started his administration by naming the popular General Colin Powell as Secretary of State. Powell was the first African American to hold the highest cabinet position. Many Democrats and Republicans called for cooperation and compromise after such a close election. Other Republicans saw an opportunity to push through a conservative agenda of tax cuts, less government, and more religious values, while some Democrats looked forward to a weakened president and the next congressional election. Students of history could wonder if the era of close elections and political stalemate of the Gilded Age was being repeated.

At the Beginning of the 21st Century

Although the 20th century was frequently called the "American century," *Wall Street Journal* analysts predicted an even brighter future for the 21st. "The U.S. enters the 21st century in a position of unrivaled dominance that surpasses anything it experienced in the 20th.... [T]he nation far outstrips its nearest rivals in economic and military power and cultural influence." Of course, problems remained: partisan gridlock; violence in the media and society; prejudice against ethnic minorities and unpopular groups; inequities in education, health care, and economic opportunity; and conflicts over economic devel-

opment and the environment. However, for many Americans and for immigrants from around the world, the United States remained a grand experiment in liberty and equality for all.

HISTORICAL PERSPECTIVES: FREEDOM AND FEDERALISM

It is too early to understand fully the importance of events from the last two decades of the 20th century, but certain trends are apparent. Basic concepts such as "freedom" and "rights" were being reshaped by conservative politics. In the decades after the New Deal and World War II, freedom was associated with economic security and the enjoyment of equal rights, which were largely guaranteed by federal government laws and court interpretations of constitutional amendments. In the 1980s and 1990s, freedom was frequently defined as the absence of "big" government and federal regulations. Eric Foner, in *The Story of American Freedom* (1999), attributed this change to reactions to forced desegregation in the 1950s and 1960s, liberal court rulings banning prayer in schools, and laws and court decisions allowing free speech and abortion rights. Many conservative commentators equated freedom with unregulated capitalism. Foner argued, for example, that the freedom of speech issues in the 1990s were raised not by radicals, but by corporate interests fighting limits on campaign financing and restrictions on the concentrated ownership of the media.

President Reagan had resurrected the states' right debate in his 1980 Inaugural Address (Document A, p. 665). As Congress shifted more responsibilities back to the states, conservative majorities on the Supreme Court in the 1990s also reasserted the states' sovereignty and the immunity of the states to federal laws (*Alden v. Maine*, 1999). The conservative emphasis on states' rights created renewed interest in the issues of federalism, which have been raised since the 1780s. (See Frederick Drake and Lynne Nelson, eds., *States' Rights and American Federalism: A Documentary History*, 1999.) Whether the states or the federal government can better protect the rights of citizens often depends on how one defines such basic concepts as "freedom," and on one's view of the history of federal-state conflicts from the time of Hamilton and Jefferson through the modern civil rights movement. In the early 21st century, it seems fairly certain that the balance between the powers of the federal government and the state governments will remain a central issue for the nation and for students of its history.

1. List the causes that led to a rise in conservatism.
2. What do you feel was the most important issue prior to the election of 1980? Why?
3. What was Reagan's platform in the election of 1980? Define the Reagan Revolution.
4. Explain the key components of supply-side economics. How does it differ from Keynesian economics?
5. Describe labor relations during the Reagan administration.
6. Who were the key candidates in the election of 1984? What were the key issues?
7. What were the impacts of Reaganomics?
8. Describe and list the key aspect of Reagan's foreign policy.
9. What were the key events of the Bush presidency? Why is Bush given credit for ending the Cold War?
10. What were the causes of the Persian Gulf War?
11. What Domestic problems did the Bush administration face?
12. Who were the candidates in the election of 1992? How did the third party candidate influence the outcome of the election?
13. What was the most interesting aspect of this reading?

