

The Resurgence of Conservatism

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1980–2000

It will be 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.

RONALD REAGAN, INAUGURAL, 1981

“**I**t’s morning in America” was the slogan of Republican candidate Ronald Reagan in his 1980 presidential campaign. Certainly the 1980s were a new day for America’s conservative right. Census figures confirmed that the average American was older than in the stormy sixties and much more likely to live in the South or West, the traditional bastions of the “Old Right,” where many residents harbored suspicions of federal power. The conservative cause drew added strength from the emergence of a “New Right” movement, partly in response to the counter-cultural protests of the 1960s. Spearheading the New Right were evangelical Christian groups such as the Moral Majority, dedicated believers who enjoyed startling success as political fund-raisers and organizers.

Many New Right activists were far less agitated about economic questions than about cultural con-

In a speech to the National Association of Evangelicals on March 8, 1983, President Ronald Reagan (b. 1911) defined his stand on school prayer:

“The Declaration of Independence mentions the Supreme Being no less than four times. ‘In God We Trust’ is engraved on our coinage. The Supreme Court opens its proceedings with a religious invocation. And the Members of Congress open their sessions with a prayer. I just happen to believe the school-children of the United States are entitled to the same privileges as Supreme Court Justices and Congressmen.”

cerns—the so-called social issues. They denounced abortion, pornography, homosexuality, feminism, and especially affirmative action. They championed prayer in the schools and tougher penalties for criminals. Together, the Old and New Right added up to a powerful political combination, devoted to changing the very character of American society.

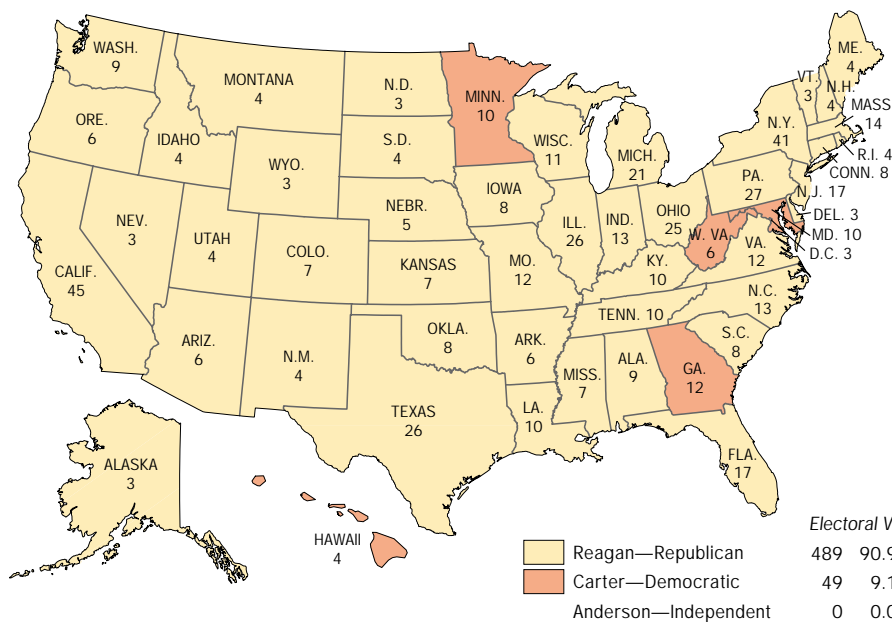
The Election of Ronald Reagan, 1980

Ronald Reagan was well suited to lead the gathering conservative crusade. Reared in a generation whose values were formed well before the upheavals of the 1960s, he naturally sided with the new right on social issues. In economic and social matters alike, he denounced the activist government and failed “social engineering” of the 1960s. He skillfully mobilized political resentments in a manner reminiscent of his early political hero, Franklin D. Roosevelt. Both Roosevelt and Reagan championed the “common man” against vast impersonal menaces that overshadowed the individual. But where the Democratic Roosevelt had branded big business the foe of the “forgotten man,” the Republican Reagan depicted big government as the archvillain. He preached a “populist” political philosophy that condemned federal intervention in local affairs, favoritism for minorities, and the elitism of arrogant bureaucrats. He aimed especially to win over from the Democratic column working-class and lower-middle-class white voters by implying that the Democratic party had become the exclusive tool of its minority constituents.

Though Reagan was no intellectual, he drew on the ideas of a small but influential group of thinkers known as “neoconservatives.” Their ranks included Norman Podhoretz, editor of *Commentary* magazine, and Irving Kristol, editor of *The Public Interest*. Reacting against what they saw as the excesses of 1960s liberalism, the neoconservatives championed free-market capitalism liberated from government restraints, and they took tough, harshly anti-Soviet positions in foreign policy. They also questioned liberal welfare programs and affirmative-action policies and called for reassertion of traditional values of individualism and the centrality of the family.

An actor-turned-politician, Reagan enjoyed enormous popularity with his crooked grin and aw-shucks manner. The son of a ne'er-do-well, improv-

erished Irish-American father with a fondness for the bottle, he had grown up in a small Illinois town. Reagan got his start in life in the depressed 1930s as a sports announcer for an Iowa radio station. Good looks and a way with words landed him acting jobs in Hollywood, where he became a B-grade star in the 1940s. He displayed a flair for politics as president of the Screen Actors Guild in the McCarthy era of the early 1950s, when he helped purge communists and other suspected “reds” from the film industry. In 1954 he became a spokesman for the General Electric Corporation at a salary of some \$150,000 per year. In that position he began to abandon his New Dealish political views and increasingly to preach a conservative, antigovernment line. Reagan's huge visibility and growing skill



Presidential Election of 1980
(with electoral vote by state)
This map graphically displays Reagan's landslide victory over both Carter and Anderson.

at promoting the conservative cause made him attractive to a group of wealthy California businessmen, who helped launch his political career as governor of California from 1966 to 1974.

By 1980 the Republican party was ready to challenge the Democrats' hold on the White House. Bedeviled abroad and becalmed at home, Jimmy Carter's administration struck many Americans as bungling and befuddled. Carter's inability to control double-digit inflation was especially damaging. Frustrated critics bellyached loudly about the Georgian's alleged mismanagement of the nation's affairs.

Disaffection with Carter's apparent ineptitude ran deep even in his own Democratic party, where an "ABC" (Anybody but Carter) movement gathered steam. The liberal wing of the party found its champion in Senator Edward Kennedy of Massachusetts, the last survivor of the assassin-plagued Kennedy brothers. He and Carter slugged it out in a series of bruising primary elections, while delighted Republicans decorously proceeded to name Reagan their presidential nominee. In the end Kennedy's candidacy fell victim to the country's conservative mood and to lingering suspicions about a 1969 automobile accident on Chappaquiddick Island, Massachusetts, in which a young woman assistant was drowned when Kennedy's car plunged off a bridge. A badly battered Carter, his party divided and in disarray, was left to do battle with Reagan.

The Republican candidate proved to be a formidable campaigner. He used his professional acting skills to great advantage in a televised "debate" with the colorless Carter. Reagan attacked the incumbent's fumbling performance in foreign policy and blasted the "big-government" philosophy of the Democratic party (a philosophy that Carter did not fully embrace). Galloping inflation, sky-high interest rates, and a faltering economy also put the incumbent president on the defensive. Carter countered ineffectively with charges that Reagan was a trigger-happy cold warrior who might push the country into nuclear war.

Carter's spotty record in office was no defense against Reagan's popular appeal. On election day the Republican rang up a spectacular victory, bagging over 51 percent of the popular vote, while 41 percent went to Carter and 7 percent to moderate independent candidate John Anderson. The electoral count stood at 489 for Reagan and 49 for Carter. (Anderson failed to gain a single electoral vote.) Carter managed to win only six states and the District of Columbia, a defeat almost as crushing as George McGovern's loss to Richard Nixon in 1972. He was the first elected president to be unseated by the voters since Herbert Hoover was ejected from office in 1932. Equally startling, the Republicans gained control of the Senate for the first time in twenty-five years. Leading Democratic liberals who

had been targeted for defeat by well-heeled new-right groups went down like dead timber in the conservative windstorm that swept the country.

Carter showed dignity in defeat, delivering a thoughtful Farewell Address that stressed his efforts to scale down the deadly arms race, to promote human rights, and to protect the environment. In one of his last acts in office, he signed a bill preserving some 100 million acres of Alaska land for national parks, forests, and wildlife refuges. An unusually intelligent, articulate, and well-meaning president, he had been hampered by his lack of managerial talent and had been badly buffeted by events beyond his control, such as the soaring price of oil, runaway inflation, and the galling insult of the continuing hostage crisis in Iran. If Carter was correct in believing that the country was suffering from a terrible “malaise,” he never found the right medicine to cure the disease.

The Reagan Revolution

Reagan’s arrival in Washington was triumphal. The Iranians contributed to the festive mood by releasing the hostages on Reagan’s Inauguration Day, January 20, 1981, after 444 days of captivity.

Reagan assembled a conservative cabinet of the “best and the rightest” and relied on these and other advisers to make important decisions. The cabinet included a highly controversial Coloradan, James Watt, as secretary of the interior. Watt was a product of the “Sagebrush Rebellion,” a fiercely anti-Washington movement that had sprung up to protest federal control over the rich mineral and timber resources in the western states. Environmentalists howled loudly about Watt’s schemes to hobble the Environmental Protection Agency and to permit oil drilling in scenic places. After bitter protests they succeeded in halting Watt’s plan to allow oil exploration off the California coastline. Watt blithely rebuffed critics by saying, “I make lots of mistakes because I make lots of decisions.” He made one mistake too many in 1983, when he thoughtlessly told an offensive ethnic joke in public and was forced to resign.

The new president, a hale and hearty sixty-nine-year-old, was devoted to fiscal fitness. A major goal of Reagan’s political career was to reduce the size of the government by shrinking the federal budget

and slashing taxes. He declared, “Government is not the solution to our problem. Government is the problem.” Years of New Deal-style tax-and-spend programs, Reagan jested, had created a federal government that reminded him of the definition of a baby as a creature who was all appetite at one end, with no sense of responsibility at the other.

By the early 1980s, this antigovernment message found a receptive audience. In the two decades since 1960, federal spending had risen from about 18 percent of gross national product to nearly 23 percent. At the same time, the composition of the federal budget had been shifting from defense to entitlement programs, including Social Security and Medicare (see chart p. 1033). In 1973 the budget of the Department of Health, Education, and Welfare surpassed that of the Department of Defense. Citizens increasingly balked at paying the bills for further extension of government “benefits.” After four decades of advancing New Deal and Great Society programs, a strong countercurrent took hold. Californians staged a “tax revolt” in 1978 (known by its official ballot title of Proposition 13) that slashed

Congress and the public on his budget, the outpouring of sympathy and support was enormous.

The Battle of the Budget

Swept along on a tide of presidential popularity, Congress swallowed Reagan's budget proposals, approving expenditures of some \$695 billion, with a projected deficit of about \$38 billion. To hit those financial targets, drastic surgery was required, and Congress plunged its scalpel deeply into Great Society–spawned social programs. Wounded Democrats wondered if the president's intention was to cut the budget or to gut the budget.

Reagan's triumph amazed political observers, especially defeated Democrats. The new president had descended upon Washington like an avenging angel of conservatism, kicking up a blinding whirlwind of political change. He sought nothing less than the dismantling of the welfare state and the reversal of the political evolution of the preceding half-century. His impressive performance demonstrated the power of the presidency with a skill not seen since Lyndon Johnson's day. Out the window went the textbooks that had concluded, largely on the basis of the stalemated 1970s, that this office had been eclipsed by a powerful, uncontrollable Congress.

property taxes and forced painful cuts in government services. The California “tax quake” jolted other state capitals and even rocked the pillars of Congress in faraway Washington, D.C. Ronald Reagan had ridden this political shock wave to presidential victory in 1980 and now proceeded to rattle the “welfare state” to its very foundations.

With near-religious zeal and remarkable effectiveness, Reagan set out to persuade Congress to legislate his smaller-government policies into law. He proposed a new federal budget that necessitated cuts of some \$35 billion, mostly in social programs like food stamps and federally funded job-training centers. Reagan worked naturally in harness with the Republican majority in the Senate, but to get his way in the Democratic House, he undertook some old-fashioned politicking. He enterprisingly wooed a group of mostly southern conservative Democrats (dubbed “boll weevils”), who abandoned their own party's leadership to follow the president.

Then on March 6, 1981, a deranged gunman shot the president as he was leaving a Washington hotel. A .22-caliber bullet penetrated beneath Reagan's left arm and collapsed his left lung. With admirable courage and grace, and with impressive physical resilience for a man his age, Reagan seemed to recover rapidly from his violent ordeal. Twelve days after the attack, he walked out of the hospital and returned to work. When he appeared a few days later on national television to address the

Reagan hardly rested to savor the sweetness of his victory. The second part of his economic program called for deep tax cuts, amounting to 25 percent across-the-board reductions over a period of three years. Once again, Reagan displayed his skill as a performer and a persuader in a highly effective television address in July 1981, when he pleaded for congressional passage of the tax-cut bill. Democrats, he quipped, “had never met a tax they didn’t hike.” Thanks largely to the continued defection of the “boll weevils” from the Democratic camp, the president again had his way. In August 1981 Congress approved a set of far-reaching tax reforms that lowered individual tax rates, reduced federal estate taxes, and created new tax-free savings plans for small investors. Reagan’s “supply-side” economic advisers assured him that the combination of budgetary discipline and tax reduction would stimulate new investment, boost productivity, foster dramatic economic growth, and reduce the federal deficit.

But at first “supply-side” economics seemed to be a beautiful theory mugged by a gang of brutal facts, as the economy slid into its deepest recession since the 1930s. Unemployment reached nearly 11 percent in 1982, businesses folded, and several bank failures jolted the nation’s entire financial system. The automobile industry, once the brightest jewel in America’s industrial crown, turned in its dimmest performance in history. Battling against Japanese imports, major automakers reported losses in the hundreds of millions of dollars. Fuming and frustrated Democrats angrily charged that the president’s budget cuts slashed especially cruelly at the poor and the handicapped and that his tax cuts favored the well-to-do. They accused Reagan of trying to make those Americans with the frailest shoulders carry the heaviest burden in the fight for fiscal reform. In fact, the anti-inflationary “tight money” policies that precipitated the “Reagan recession” of 1982 had been initiated by the Federal Reserve Board in 1979, on Carter’s watch.

Ignoring the yawping pack of Democratic critics, President Reagan and his economic advisers serenely waited for their supply-side economic policies (“Reaganomics”) to produce the promised results. The supply-siders seemed to be vindicated when a healthy economic recovery finally got under way in 1983. Yet the economy of the 1980s was not uniformly sound. For the first time in the twentieth century, income gaps widened between the richest and the poorest Americans. The poor got poorer and

the very rich grew fabulously richer, while middle-class incomes largely stagnated. Symbolic of the new income stratification was the emergence of “yuppies,” or young, urban professionals. Sporting Rolex watches and BMW sports cars, they made a near-religion out of conspicuous consumption. Though numbering only about 1.5 million people and being something of a stereotype, yuppies showcased the values of materialism and the pursuit of wealth that came to symbolize the high-rolling 1980s.

Some economists located the sources of the economic upturn neither in the president’s budget cuts and tax reforms nor in the go-get-’em avarice of the yuppies. It was massive military expenditures, they argued, that constituted the real foundation of 1980s prosperity. Reagan cascaded nearly 2 trillion budget dollars onto the Pentagon in the 1980s, asserting the need to close a “window of vulnerability” in the armaments race with the Soviet Union. Ironically, this conservative president thereby plunged the government into a red-ink bath of deficit spending that made the New Deal look downright stingy. Federal budget deficits topped \$100 billion in 1982, and the government’s books were nearly \$200 billion out of balance in every subsequent year of the 1980s. Massive government borrowing to cover those deficits kept interest rates high, and high interest rates in turn elevated the value of the dollar to record altitudes in the international money markets. The soaring dollar was good news for American tourists and buyers of foreign cars, but it dealt crippling blows to American exporters, as the American international trade deficit reached a record \$152 billion in 1987. The masters of international commerce and finance for a generation after World War II, Americans suddenly became the world’s heaviest borrowers in the global economy of the 1980s.

Reagan Renews the Cold War

Hard as nails toward the Soviet Union in his campaign speeches, Reagan saw no reason to soften up after he checked in at the White House. As the Soviets carried on their war in Afghanistan, Reagan continued to condemn the Kremlin. In one of his first presidential news conferences, he claimed that the Soviets were “prepared to commit any crime, to lie, to cheat,” in pursuit of their goals of world conquest.

In a later speech, he characterized the Soviet Union as the “focus of evil in the modern world.”

Reagan believed in negotiating with the Soviets—but only from a position of overwhelming strength. Accordingly, his strategy for dealing with Moscow was simple: by enormously expanding U.S. military capabilities, he could threaten the Soviets with a fantastically expensive new round of the arms race. The American economy, theoretically, could better bear this new financial burden than could the creaking Soviet system. Desperate to avoid economic ruin, Kremlin leaders would come to the bargaining table and sing Reagan’s tune.

This strategy resembled a riverboat gambler’s ploy. It wagered the enormous sum of Reagan’s defense budgets on the hope that the other side would not call Washington’s bluff and initiate a new cycle of arms competition. Reagan played his trump card in this risky game in March 1983, when he announced his intention to pursue a high-technology missile-defense system called the Strategic Defense Initiative (SDI), popularly known as Star Wars. The plan called for orbiting battle stations in space that could fire laser beams or other forms of concentrated energy to vaporize intercontinental missiles on liftoff. Reagan described SDI as offering potential salvation from the nuclear nightmare by throwing an “astrodome” defense shield over American cities. Most scientists considered this an impossible goal. But the deeper logic of SDI lay in its fit

with Reagan’s overall Soviet strategy. By pitching the arms contest onto a stratospheric plane of high technology and astronomical expense, it would further force the Kremlin’s hand.

By emphasizing defense rather than offense, SDI upset four decades of strategic thinking about nuclear weaponry. Many experts remained deeply skeptical about the plan. Those who did not dismiss it as ludicrous feared that Star Wars research might be ruinously costly, ultimately unworkable, and fatally destabilizing to the distasteful but effective “balance of terror” that had kept the nuclear peace since World War II. Scientific and strategic doubts combined to constrain congressional funding for SDI through the remainder of Reagan’s term.

Relations with the Soviets further nose-dived in late 1981, when the government of Poland, needed for over a year by a popular movement of working-people organized into a massive union called “Solidarity,” clamped martial law on the troubled country. Reagan saw the heavy fist of the Kremlin inside this Polish iron glove, and he imposed economic sanctions on Poland and the USSR alike. Notably absent from the mandated measures was a resumption of the grain embargo, which would have pinched the pocketbooks of too many American farmers.

Dealing with the Soviet Union was additionally complicated by the inertia and ill health of the aging oligarchs in the Kremlin, three of whom were swept away by death between late 1982 and early 1985. Relations grew even more tense when the Soviets, in September 1983, blasted from the skies a Korean passenger airliner that had inexplicably violated Soviet airspace. Hundreds of civilians, including many Americans, plummeted to their deaths in the frigid Sea of Okhotsk. By the end of 1983, all arms-control negotiations with the Soviets were broken off. The deepening chill of the Cold War was further felt in 1984, when, in response to the Western boycott of the 1980 Moscow Olympics, USSR and Soviet-bloc athletes boycotted the Los Angeles Olympic Games.

Troubles Abroad

The volatile Middle Eastern pot continued to boil ominously. Israel badly strained its bonds of friendship with the United States by continuing to allow new settlements to be established in the occupied territory of the Jordan River’s West Bank. Israel further raised the stakes in the Middle East in June 1982



The Middle East A combination of political instability and precious petroleum resources has made the region from Egypt to Afghanistan an “arc of crisis.”

when it invaded neighboring Lebanon, seeking to suppress once and for all the guerrilla bases from which Palestinian fighters harassed beleaguered Israel. The Palestinians were bloodily subdued, but Lebanon, already pulverized by years of episodic civil war, was plunged into armed chaos. President Reagan was obliged to send American troops to

Lebanon in 1983 as part of an international peace-keeping force, but their presence did not bring peace. A suicide bomber crashed an explosives-laden truck into a United States Marine barracks on October 23, 1983, killing more than two hundred marines. President Reagan soon thereafter withdrew the remaining American troops, while miraculously



Central America and the Caribbean This region of historical importance to the United States experienced dramatic political upheavals in the 1970s, 1980s, and 1990s.

suffering no political damage from this horrifying and humiliating attack. His mystified Democratic opponents began to call him the “Teflon president,” to whom nothing hurtful could stick.

Central America, in the United States’ own backyard, also rumbled menacingly. A leftist revolution had deposed the long-time dictator of Nicaragua in 1979. President Carter had tried to ignore the hotly anti-American rhetoric of the revolutionaries, known as “Sandinistas,” and to establish good diplomatic relations with them. But cold warrior Reagan took their rhetoric at face value and hurled back at them some hot language of his own. He accused the Sandinistas of turning their country into a forward base for Soviet and Cuban military penetration of all of Central America. Brandishing photographs taken from high-flying spy planes, administration spokespeople claimed that Nicaraguan leftists were shipping weapons to revolutionary forces in tiny El Salvador, torn by violence since a coup in 1979.

Reagan sent military “advisers” to prop up the pro-American government of El Salvador. He also provided covert aid, including the CIA-engineered mining of harbors, to the “contra” rebels opposing the anti-American government of Nicaragua. Reagan flexed his military muscles elsewhere in the turbulent Caribbean. In a dramatic display of American might, in October 1983 he dispatched a heavy-firepower invasion force to the island of Grenada, where a military coup had killed the prime minister and brought Marxists to power. Swiftly overrunning the tiny island and ousting the insurgents, American troops vividly demonstrated Reagan’s determination to assert the dominance of the United States in the Caribbean, just as Theodore Roosevelt had done.

Round Two for Reagan

A confident Ronald Reagan, bolstered by a buoyant economy at home and by the popularity of his muscular posture abroad, handily won the Republican nomination in 1984 for a second White House term. His opponent was Democrat Walter Mondale, who made history by naming as his vice-presidential running mate Congresswoman Geraldine Ferraro of New York. She was the first woman ever to appear on a major-party presidential ticket. But even this dramatic gesture could not salvage Mondale’s candidacy, which was fatally tainted by his service as vice president in the deeply discredited Carter

administration. On election day Reagan walked away with 525 electoral votes to Mondale’s 13, winning everywhere except in Mondale’s home state of Minnesota and the District of Columbia. Reagan also overwhelmed Mondale in the popular vote—52,609,797 to 36,450,613.

Shrinking the federal government and reducing taxes had been the main objectives of Reagan’s first term; foreign-policy issues dominated the news in his second term. The president soon found himself contending for the world’s attention with a charismatic new Soviet leader, Mikhail Gorbachev, installed as chairman of the Soviet Communist party in March 1985. Gorbachev was personable, energetic, imaginative, and committed to radical reforms in the Soviet Union. He announced two policies with remarkable, even revolutionary, implications. *Glasnost*, or “openness,” aimed to ventilate the secretive, repressive stuffiness of Soviet society by introducing free speech and a measure of political liberty. *Perestroika*, or “restructuring,” was intended to revive the moribund Soviet economy by adopting many of the free-market practices—such as the profit motive and an end to subsidized prices—of the capitalist West.

Both *glasnost* and *perestroika* required that the Soviet Union shrink the size of its enormous military machine and redirect its energies to the dismal civilian economy. That requirement, in turn, necessitated an end to the Cold War. Gorbachev accordingly made warm overtures to the West, including an announcement in April 1985 that the Soviet Union would cease to deploy intermediate-range nuclear forces (INF) targeted on Western Europe, pending an agreement on their complete elimination. He pushed this goal when he met with Ronald Reagan at the first of four summit meetings, in Geneva in November 1985. A second summit meeting, in Reykjavik, Iceland, in October 1986 broke down in a stalemate. But at a third summit, in Washington, D.C., in December 1987, the two leaders at last signed the INF treaty, banning all intermediate-range nuclear missiles from Europe. This was a result long sought by both sides; it marked a victory for American policy, for Gorbachev’s reform program, and for the peoples of Europe and indeed all the world, who now had at least one less nuclear weapons system to worry about.

Reagan and Gorbachev capped their new friendship in May 1988 at a final summit in Moscow. There Reagan, who had entered office condemning the “evil empire” of Soviet communism, warmly

praised Gorbachev. Reagan, the consummate cold warrior, had been flexible and savvy enough to seize a historic opportunity to join with the Soviet chief to bring the Cold War to a kind of conclusion. For this, history would give both leaders high marks.

Reagan made other decisive moves in foreign policy. His administration provided strong backing in February 1986 for Corazon Aquino's ouster of dictator Ferdinand Marcos in the Philippines. Reagan ordered a lightning air raid against Libya in 1986, in retaliation for alleged Libyan sponsorship of terrorist attacks, including a bomb blast in a West Berlin discotheque that killed a U.S. serviceman. In the summer of 1987, U.S. naval vessels began escorting oil tankers through the Persian Gulf, inflamed by a long, brutal war between Iran and Iraq.

Congress repeatedly refused, and the administration grew increasingly frustrated, even obsessed, in its search for a means to help the contras.

Unknown to the American public, some Washington officials saw a possible linkage between the two thorny problems of the Middle Eastern hostages and the Central American Sandinistas. In 1985 American diplomats secretly arranged arms

The Iran-Contra Imbroglio

Two foreign-policy problems seemed insoluble to Reagan: the continuing captivity of a number of American hostages, seized by Muslim extremist groups in bleeding, battered Lebanon; and the continuing grip on power of the left-wing Sandinista government in Nicaragua. The president repeatedly requested that Congress provide military aid to the contra rebels fighting against the Sandinista regime.

On March 4, 1987, President Ronald Reagan somewhat confusingly tried to explain his role (or lack of role) in the arms-for-hostages deal with Iran:

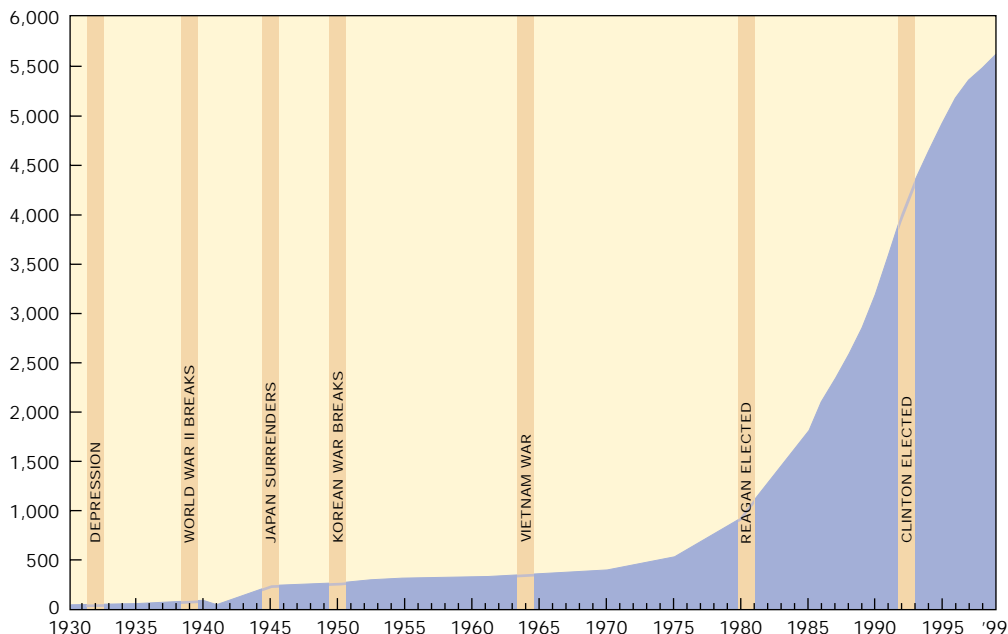
“A few months ago I told the American people I did not trade arms for hostages. My heart and my best intentions still tell me that is true, but the facts and the evidence tell me it is not.”

sales to the embattled Iranians in return for Iranian aid in obtaining the release of American hostages held by Middle Eastern terrorists. At least one hostage was eventually set free. Meanwhile, money from the payment for the arms was diverted to the

contras. These actions brazenly violated a congressional ban on military aid to the Nicaraguan rebels—not to mention Reagan’s repeated vow that he would never negotiate with terrorists.

News of these secret dealings broke in November 1986 and ignited a firestorm of controversy. President Reagan claimed he was innocent of wrongdoing and ignorant about the activities of his subordinates, but a congressional committee condemned the “secrecy, deception, and disdain for the law” displayed by administration officials and concluded that “if the president did not know what his national security advisers were doing, he should have.” Criminal indictments were later brought against several individuals tarred by the Iran-contra scandal, including marine colonel Oliver North; North’s boss at the National Security Council, Admiral John Poindexter; and even Secretary of Defense Caspar Weinberger. North and Poindexter were both found guilty of criminal behavior, though all their convictions were eventually reversed on appeal.

Billions of dollars



The National Debt, 1930–1999 World War II provided the first major boost to the national debt. But it was the policies of the Reagan and Bush administrations, 1981–1993, that explosively expanded the debt to the \$4 trillion level. By the 1990s, 14 percent of federal revenues went to interest payments on the debt, though the budget surpluses created by the booming economy of the second Clinton administration raised the prospect that the debt might be paid off. (Sources: *Historical Statistics of the United States* and *Statistical Abstract of the United States*, relevant years; 1996 and 1997 figures from *Economic Indicators*, Council of Economic Advisors.)

Weinberger received a presidential pardon before he was formally tried.

The Iran-contra affair cast a dark shadow over the Reagan record in foreign policy, tending to obscure the president's outstanding achievement in establishing a new relationship with the Soviets. Out of the several Iran-contra investigations, a picture emerged of Reagan as a lazy, perhaps even senile, president who napped through meetings and paid little or no attention to the details of policy. Reagan's critics pounced on this portrait as proof that the movie-star-turned-politician was a mental lightweight who had merely acted his way through the role of the presidency without really understanding the script. But despite these damaging revelations, Reagan remained among the most popular and beloved presidents in modern American history.

Reagan's Economic Legacy

Ronald Reagan had taken office vowing to invigorate the American economy by rolling back government regulations, lowering taxes, and balancing the budget. He did ease many regulatory rules, and he pushed major tax reform bills through Congress in 1981 and 1986. But a balanced budget remained grotesquely out of reach. Supply-side economic theory had promised that lower taxes would actually *increase* government revenue because they would so stimulate the economy as a whole. But in fact the combination of tax reduction and huge increases in military spending opened a vast "revenue hole" of \$200 billion annual deficits. In his eight years in office, President Reagan added nearly \$2 trillion to the national debt—more than all of his predecessors combined, including those who had fought protracted global wars (see the chart on p. 986).

The staggering deficits of the Reagan years assuredly constituted a great economic failure. And because so much of the Reagan-era debt was financed by foreign lenders, especially the Japanese, the deficits virtually guaranteed that future generations of Americans would either have to work harder than their parents, lower their standard of living, or both, to pay their foreign creditors when the bills came due. The yawning deficits prompted Congress in 1986 to pass legislation mandating a balanced budget by 1991. Yet even this drastic measure proved pitifully inadequate to the task of clos-

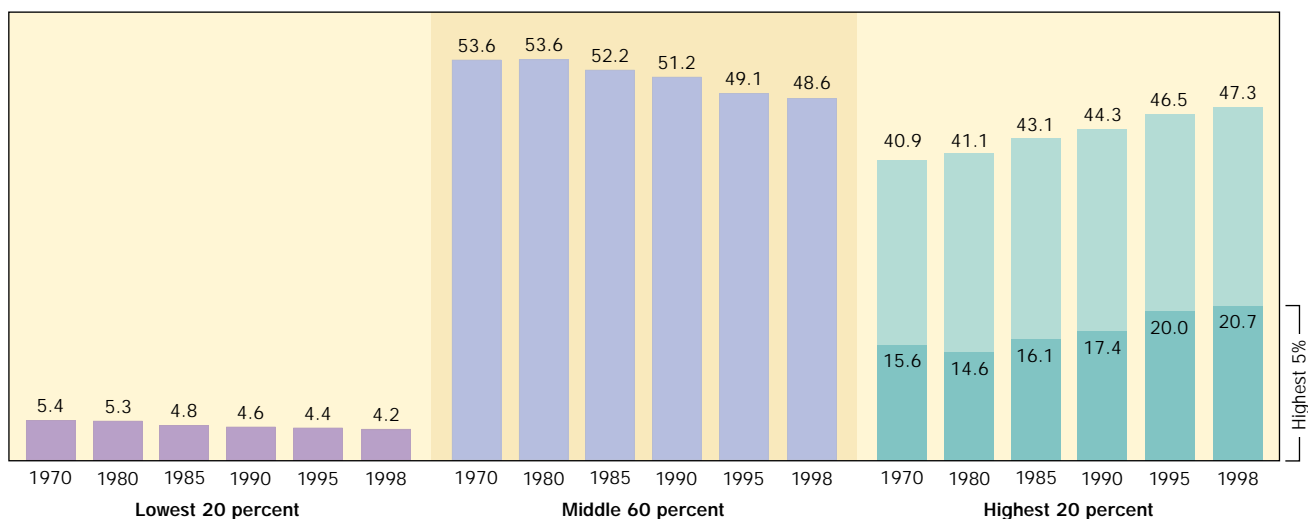
ing the gap between the federal government's income and expenditures, and the national debt continued to grow.

But if the deficits represented an economic failure, they also constituted, strangely enough, a kind of political triumph. Among the paramount goals of Reagan's political life was his ambition to slow the growth of government, and especially to block or even repeal the social programs launched in the era of Lyndon Johnson's Great Society. By appearing to make new social spending both practically and politically impossible for the foreseeable future, the deficits served exactly that purpose. They achieved, in short, Reagan's highest political objective: the containment of the welfare state. Ronald Reagan thus ensured the long-term perpetuation of his dearest political values to a degree that few presidents have managed to achieve. For better or worse, the consequences of "Reaganomics" would be large and durable.

Yet another legacy of the 1980s was a sharp reversal of a long-term trend toward a more equitable distribution of income (see the chart on p. 988) and an increasing squeeze on the middle class. In the early 1990s, median household income (in 1993 dollars) actually declined, from about \$33,500 in 1989 to about \$31,000 in 1993. Whether that disturbing trend should be attributed to Reagan's policies or to more deeply running economic currents remained controversial.

Hollywood director Oliver Stone's (b. 1946) film Wall Street both romanticized and vilified the business culture of the 1980s. The character of Gordon Gekko, inspired by real-life corporate raider Ivan Boesky, captured the spirit of the times:

"Ladies and gentlemen, greed is good. Greed works, greed is right. . . . Greed for life, money, love, knowledge, has marked the upward surge of mankind—and greed, mark my words, will save the malfunctioning corporation called the U.S.A."



Share of Received Income by Families, by Quintile, 1970–1998 (Source: *Statistical Abstract of the United States*, 2000.)

The Religious Right

Religion pervaded American politics in the 1980s. Especially conspicuous was a coalition of conservative, evangelical Christians known as the religious right. In 1979 the Reverend Jerry Falwell, an evangelical minister from Lynchburg, Virginia, founded a political organization called the Moral Majority. Falwell preached with great success against sexual permissiveness, abortion, feminism, and the spread of gay rights. In its first two years, the Moral Majority registered between 2 million and 3 million voters. Using radio, direct-mail marketing, and cable TV, “tel-evangelists” reached huge audiences in the 1980s, collected millions of dollars, and became aggressive political advocates of conservative causes.

Members of the religious right were sometimes called “movement conservatives,” a term that recalls the left-wing protest movements of the 1960s. In many ways the religious right of the 1980s was a reflection of, or answer to, sixties radicalism. Feminists in the 1960s declared that “the personal was political.” The religious right did the same. What had in the past been personal matters—gender roles, homosexuality, and prayer—became the organizing ground for a powerful political movement. Like advocates of multiculturalism and affirmative action, the religious right practiced a form of “iden-

tity politics.” But rather than defining themselves as Hispanic voters or gay voters, they declared themselves Christian or pro-life voters. The New Right also mimicked the New Left in some of its tactics. If the left had consciousness-raising sessions, the right had prayer meetings. Adherents articulated their positions in a language of rights and entitlements, as in the “right-to-life” (or anti-abortion) movement. They even mirrored the tactics of civil disobedience. Protesters in the 1960s blocked entrances to draft offices; protesters in the 1980s blocked entrances to abortion clinics.

Several leaders of the religious right fell from grace in the latter part of the decade. One tearfully admitted to repeated trysts with prostitutes. Another went to prison following revelations of his own financial and sexual misconduct. But such scandals would not shake the faith of America’s conservative Christians or diminish the new political clout of activist, evangelical religionists.

Conservatism in the Courts

If the budget was Reagan’s chief weapon in the war against the welfare state, the courts became his principal instrument in the “cultural wars” demanded by the religious right. By the time he left

office, Reagan had appointed a near-majority of all sitting judges. Equally important, he had named three conservative-minded justices to the U.S. Supreme Court. They included Sandra Day O'Connor, a brilliant, public-spirited Arizona judge. When she was sworn in on September 25, 1981, she became the first woman to ascend to the high bench in the Court's nearly two-hundred-year history.

Reaganism repudiated two great icons of the liberal political culture: affirmative action and abortion. The Court showed its newly conservative colors in 1984, when it decreed, in a case involving Memphis fire fighters, that union rules about job seniority could outweigh affirmative-action concerns in guiding promotion policies in the city's fire department. In two cases in 1989 (*Ward's Cove Packing v. Antonia* and *Martin v. Wilks*), the Court made it more difficult to prove that an employer practiced racial discrimination in hiring and made it easier for white males to argue that they were the victims of reverse discrimination by employers who followed affirmative-action practices. Congress passed legislation in 1991 that partially reversed the effects of those decisions.

The contentious issue of abortion also reached the Court in 1989. In the case of *Roe v. Wade* in 1973, the Supreme Court had prohibited states from making laws that interfered with a woman's right to an abortion during the early months of pregnancy. For nearly two decades, that decision had been the bedrock principle on which "pro-choice" advocates built their case for abortion rights. It had also provoked bitter criticism from Roman Catholics and various "right-to-life" groups, who wanted a virtually absolute ban on all abortions. In *Webster v. Reproductive Health Services*, the Court in July 1989 did not entirely overturn *Roe*, but it seriously compromised *Roe's* protection of abortion rights. By approving a Missouri law that imposed certain restrictions on abortion, the Court signaled that it was inviting the states to legislate in an area in which *Roe* had previously forbidden them to legislate. The Court renewed that invitation in *Planned Parenthood v. Casey* in 1992, when it ruled that states could restrict access to abortion as long as they did not place an "undue burden" on the woman. Using this standard, the Court held that Pennsylvania could not compel a wife to notify her husband about an abortion but could require a minor child to notify parents, as well as other restrictions.

Right-to-life advocates were at first delighted by the *Webster* decision. But the Court's ruling also gal-

Speaking to the National Association of Evangelicals, President Ronald Reagan said the following about abortion:

"More than a decade ago, a Supreme Court decision [*Roe v. Wade*, 1973] literally wiped off the books of fifty states statutes protecting the rights of unborn children. Abortion on demand now takes the lives of up to 1½ million unborn children a year. Human life legislation ending this tragedy will some day pass the Congress, and you and I must never rest until it does. Unless and until it can be proven that the unborn child is not a living entity, then its right to life, liberty, and the pursuit of happiness must be protected."

vanized pro-choice organizations into a new militancy. Bruising, divisive battles loomed as state legislatures across the land confronted abortion. This painful cultural conflict over the unborn was also part of the Reagan era's bequest to the future.

Referendum on Reaganism in 1988

Republicans lost control of the Senate in the off-year elections of November 1986. Hopes rose among Democrats that the "Reagan Revolution" might be showing signs of political vulnerability at last. The newly Democratic majority in the Senate flexed its political muscle in 1987 when it rejected Robert Bork, Reagan's ultraconservative nominee for a Supreme Court vacancy.

Democrats also relished the prospect of making political hay out of both the Iran-contra scandal and the allegedly unethical behavior that tainted an unusually large number of Reagan's "official family." Top administrators of the Environmental Protection Agency resigned in disgrace over a misappropriation of funds. Reagan's secretary of labor stepped down in 1985 to stand trial on charges of fraud and larceny. (He was eventually acquitted.) The president's personal White House aide was convicted of perjury in 1988. The nation's chief law enforcement

officer, Attorney General Edwin Meese, came under investigation by a federal special prosecutor on charges of influence-peddling. Reagan's secretary of housing and urban development was also investigated on charges of fraud and favoritism in the awarding of lucrative federal housing grants.

Disquieting signs of economic trouble also seemed to open political opportunities for Democrats. The “twin towers” of deficits—the federal budget deficit and international trade deficit—continued to mount ominously. Falling oil prices blighted the economy of the Southwest, slashing real estate values and undermining hundreds of savings-and-loans (S&L) institutions. The damage to the S&Ls was so massive that a federal rescue operation was eventually estimated to carry a price tag of well over \$500 billion. Meanwhile, many American banks found themselves holding near-worthless loans they had unwisely foisted upon Third World countries, especially in Latin America. In 1984 it took federal assistance to save Continental Illinois Bank from a catastrophic failure. More banks and savings institutions were folding than at any time since the Great Depression of the 1930s. A wave of mergers, acquisitions, and leveraged buyouts washed over Wall Street, leaving many brokers and traders megarich and many companies saddled with megadebt. A cold spasm of fear struck the money markets on “Black Monday,” October 19, 1987, when the leading stock-market index plunged 508 points—the largest one-day decline in history. This crash, said *Newsweek* magazine, heralded “the final collapse of the money culture . . . , the death knell of the 1980s.” But as Mark Twain famously commented about his own obituary, this announcement proved premature.

Hoping to cash in on these ethical and economic anxieties, a pack of Democrats—dubbed the “Seven Dwarfs” by derisive Republicans—chased after their party's 1988 presidential nomination. But the Reaganites proved to have no monopoly on shady behavior. Ironically enough, the handsome and charismatic Democratic front-runner, former Colorado senator Gary Hart, was himself forced to drop out of the race in May 1987 after charges of sexual misconduct.

Black candidate Jesse Jackson, a rousing speechmaker who hoped to forge a “rainbow coalition” of minorities and the disadvantaged, campaigned energetically, but the Democratic nomination in the end went to the coolly cerebral governor of Massachusetts, Michael Dukakis. Republicans nominated

Reagan's vice president, George Bush, who ran largely on the Reagan record of tax cuts, strong defense policies, toughness on crime, opposition to abortion, and a long-running if hardly robust economic expansion. Dukakis made little headway exploiting the ethical and economic sorespots and came across to television viewers as almost supernaturally devoid of emotion. On election day the voters gave him just 41,016,000 votes to 47,946,000 for Bush. The Electoral College count was 111 to 426.

George Bush and the End of the Cold War

George Herbert Walker Bush was born with a silver spoon in his mouth. His father had served as a U.S. senator from Connecticut, and young George had enjoyed a first-rate education at Yale. After service in World War II, he had amassed a modest fortune of his own in the oil business in Texas. His deepest commitment, however, was to public service; he left the business world to serve briefly as a congressman and then held various posts in several Republican administrations, including emissary to China, ambassador to the United Nations, director of the Central Intelligence Agency, and vice president. He capped this long political career when he was inau-

gured as president in January 1989, promising to work for “a kinder, gentler America.”

In the first months of the Bush administration, the communist world commanded the planet’s fascinated attention. Everywhere in the communist bloc, it seemed, astoundingly, that the season of democracy had arrived.

In China hundreds of thousands of prodemocracy demonstrators thronged through Beijing’s Tiananmen Square in the spring of 1989. They proudly flourished a thirty-foot-high “Goddess of Democracy,” modeled on the Statue of Liberty, as a symbol of their aspirations.

But in June of that year, China’s aging and autocratic rulers brutally crushed the prodemocracy movement. Tanks rolled over the crowds, and machine-gunners killed hundreds of protesters. In the following weeks, scores of arrested demonstrators were publicly executed after perfunctory “trials.”

World opinion roundly condemned the bloody suppression of the prodemocracy demonstrators. President Bush joined in the criticism. Yet despite angry demands in Congress for punitive restrictions on trade with China, the president insisted on maintaining normal relations with Beijing.

Stunning changes also shook Eastern Europe. Long oppressed by puppet regimes propped up by Soviet guns, the region was revolutionized in just a

few startling months in 1989. The Solidarity movement in Poland led the way when it toppled Poland’s communist government in August. With dizzying speed, communist regimes collapsed in Hungary, Czechoslovakia, East Germany, and even hyper-repressive Romania. In December 1989, jubilant Germans danced atop the hated Berlin Wall, symbol of the division of Germany and all of Europe into two armed and hostile camps. The Wall itself soon came down, heralding the imminent end of the forty-five-year-long Cold War. Chunks of the Wall’s concrete became instant collectors’ items—gray souvenirs of a grim episode in Europe’s history. With the approval of the victorious Allied powers of World War II, the two Germanies, divided since 1945, were at last reunited in October 1990.

In his state of the union address on January 31, 1990, President George Bush (b. 1924) declared,

“The events of the year just ended, the revolution of '89, have been a chain reaction, changes so striking that it marks the beginning of a new era in the world's affairs.”

Just six months later, speaking at Stanford University, Soviet president Mikhail Gorbachev (b. 1931) said,

“The Cold War is now behind us. Let us not wrangle over who won it. It is in the common interest of our two countries and nations not to fight this trend toward cooperation, but rather to promote it.”

Most startling of all were the changes that rolled over the heartland of world communism, the Soviet Union itself. Mikhail Gorbachev's policies of *glasnost* and *perestroika* had set in motion a groundswell that surged out of his control. Old-guard hard-liners, in a last-gasp effort to preserve the tottering communist system, attempted to dislodge Gorbachev with a military coup in August 1991. With the support of Boris Yeltsin, president of the Russian Republic (one of the several republics that composed the Union of Soviet Socialist Republics, or USSR), Gorbachev foiled the plotters. But his days were numbered. In December 1991 Gorbachev resigned as Soviet president. He had become a leader without a country as the Soviet Union dissolved into its component parts, some fifteen republics loosely confederated in the Commonwealth of Independent States (CIS), with Russia the most powerful state and Yeltsin the dominant leader. To varying degrees, all the new governments in the CIS repudiated communism and embraced democratic reforms and free-market economies.

These developments astonished the “experts,” who had long preached that the steely vise-grip of communist rule never could be peacefully broken. Yet suddenly and almost miraculously, the totalitarian tonnage of communist oppression had been rendered politically weightless. Most spectacularly, the demise of the Soviet Union wrote a definitive finish

to the Cold War era. More than four decades of nail-biting tension between two nuclear superpowers, the Soviet Union and the United States, evaporated when the USSR dismantled itself. With the Soviet Union swept into the dustbin of history and communism all but extinct, Bush spoke hopefully of a “new world order,” where democracy would reign and diplomacy would supersede weaponry. Some observers even saw in these developments “the end of history,” in the sense that democracy, victorious in its two-century-long struggle against foes on the left and right, had no ideological battles left to fight.

Exultant Americans joked that the USSR had become the “USS *were*.” But the disintegration of the Soviet Union was no laughing matter. Rankling

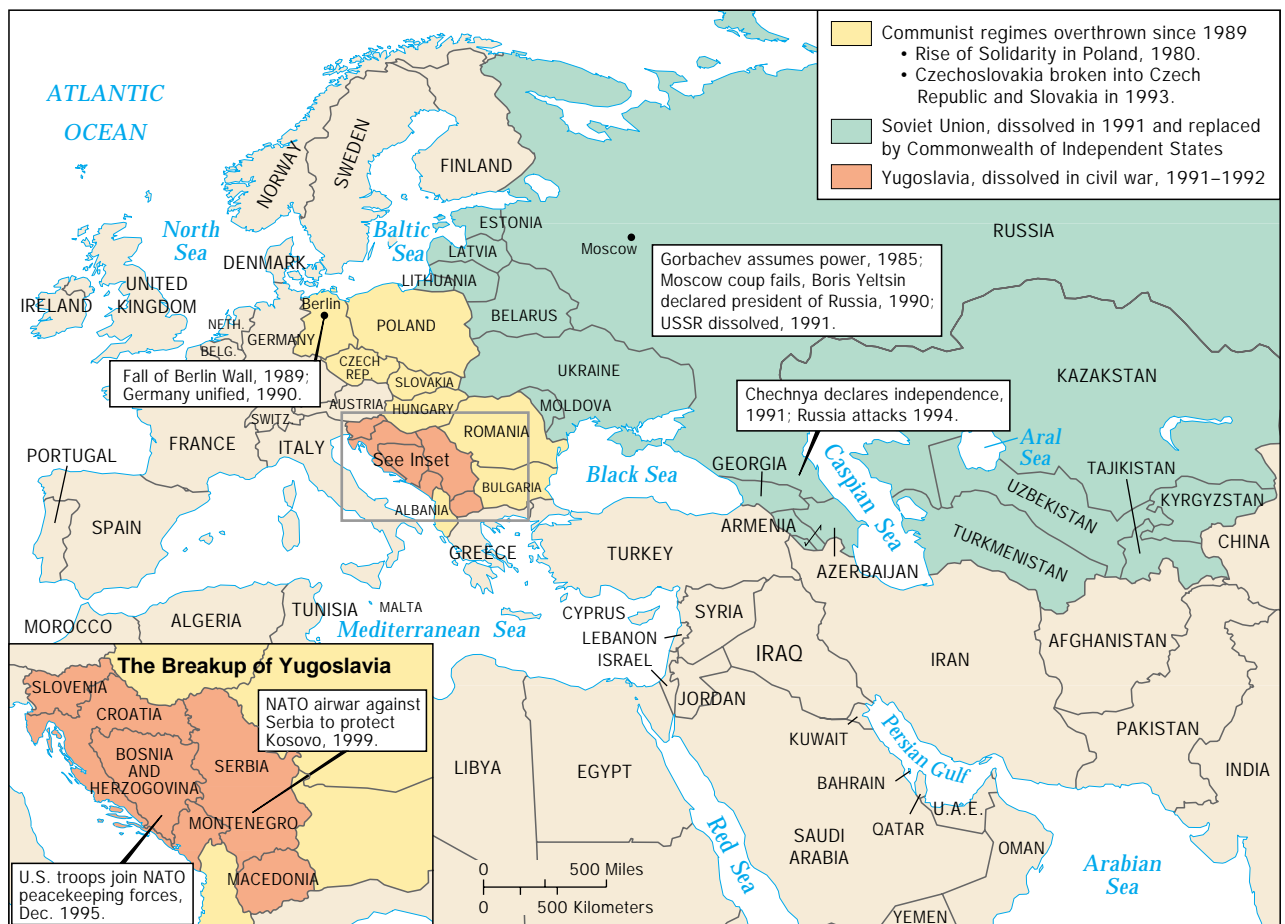
questions remained. For example, who would honor arms-control agreements with the United States? Which of the successor states of the former Soviet Union would take command of the formidable Soviet nuclear arsenal? (A partial answer was provided in early 1993, when President Bush, in one of his last official acts, signed the START II accord with Russian president Boris Yeltsin, committing both powers to reduce their long-range nuclear arsenals by two-thirds within ten years.)

Throughout the former Soviet empire, waves of nationalistic fervor and long-suppressed ethnic and racial hatreds rolled across the vast land as communism's roots were wrenched out. A particularly nasty conflict erupted in the Russian Caucasus in 1991, when the Chechnyan minority tried to declare their independence from Russia, prompting President Yeltsin to send in Russian troops. Ethnic warfare

flared in other disintegrating communist countries as well, notably in misery-drenched Yugoslavia, racked by vicious "ethnic cleansing" campaigns against various minorities.

The cruel and paradoxical truth stood revealed that the calcified communist regimes of Eastern Europe, whatever their sins, had at least bottled up the ancient ethnic antagonisms that were the region's peculiar curse and that now erupted in all their historical fury. Refugees from the strife-torn regions flooded into Western Europe. The sturdy German economy, the foundation of European prosperity, wobbled under the awesome burden of absorbing a technologically backward, physically decrepit communist East Germany. The stability of the entire European continent seemed at risk. The Western democracies, which for more than four decades had feared the military *strength* of the

The End of the Cold War Changes the Map of Europe



Eastern bloc, now ironically saw their well-being threatened by the social and economic *weakness* of the former communist lands.

The end of the Cold War also proved a mixed blessing for the United States. For nearly half a century, the containment of Soviet communism had been the paramount goal of U.S. foreign policy. Indeed the Cold War era had been the only lengthy period in American history when the United States had consistently pursued an internationalist foreign policy. With the Soviet threat now canceled, would the United States revert to its traditional isolationism? What principles would guide American diplomacy now that “anticommunism” had lost its relevance?

The Soviet-American rivalry, with its demands for high levels of military preparedness, had also deeply shaped and even invigorated the U.S. economy. Huge economic sectors such as aerospace were heavily sustained by military contracts. The economic cost of beating swords into plowshares became painfully apparent in 1991 when the Pentagon announced the closing of thirty-four military bases and canceled a \$52 billion order for a navy attack plane. More closings and cancellations followed. Communities that had been drenched with Pentagon dollars now nearly dried up, especially in hard-hit southern California, where scores of defense plants shut their doors and unemployment soared. The problems of weaning the U.S. economy

from its decades of dependence on defense spending tempered the euphoria of Americans as they welcomed the Cold War’s long-awaited finale.

Elsewhere in the world, democracy marched triumphantly forward. The white regime in South Africa took a giant step toward liberating that troubled land from its racist past when in 1990 it freed African leader Nelson Mandela, who had served twenty-seven years in prison for conspiring to overthrow the government. Four years later Mandela was elected South Africa’s president. Free elections in Nicaragua in February 1990 removed the leftist Sandinistas from power. Two years later, peace came at last to war-ravaged El Salvador.

The Persian Gulf Crisis

Sadly, the end of the Cold War did not mean the end of all wars. President Bush flexed the United States’ still-intimidating military muscle in tiny Panama in December 1989, when he sent airborne troops to capture dictator and drug lord Manuel Noriega.

Still more ominous events in the summer of 1990 severely tested Bush’s dream of a democratic and peaceful new world order. On August 2 Saddam Hussein, the brutal and ambitious ruler of Iraq, sent his armies to overrun Kuwait, a tiny, oil-rich desert sheikdom on Iraq’s southern frontier.

Oil fueled Saddam's aggression. Financially exhausted by its eight-year war with Iran, which had ended in a stalemate in 1988, Iraq needed Kuwait's oil to pay its huge war bills. Saddam's larger design was ironfisted control over the entire Persian Gulf region. With his hand thus firmly clutching the world's economic jugular vein, he dreamed of dictating the terms of oil supplies to the industrial nations, and perhaps of totally extinguishing the Arabs' enemy, Israel.

Ironically the United States and its allies had helped supply Saddam with the tools of aggression. He was widely known to be a thug and assassin who intimidated his underlings by showing them the bodies of his executed adversaries hanging on meat hooks. But in the 1980s, American enmity for Islamic-fundamentalist Iran was intense, and Saddam was at war with Iran. Assuming that "the enemy of my enemy is my friend," American policymakers helped build Saddam's military machine into a formidable force.

On August 2, 1990, Saddam's army roared into Kuwait. The speed and audacity of the invasion was stunning, but the world responded just as swiftly. The United Nations Security Council unanimously condemned the invasion on August 3 and demanded the immediate and unconditional withdrawal of Iraq's troops. When an economic embargo failed to squeeze the Iraqis into compliance by November, the Security Council delivered an ultimatum to Saddam to leave Kuwait by January 15, 1991, or U.N. forces would "use all necessary means" to expel his troops. For perhaps the first time in the post-World War II era, the U.N. seemed to be fulfilling its founders' dreams that it could preserve international order by putting guns where its mouth was. It also put them where the world's critical oil supply was.

In a logistical operation of astonishing complexity, the United States spearheaded a massive international military deployment on the sandy Arabian peninsula. As the January 15 deadline approached, some 539,000 U.S. soldiers, sailors, and pilots—many of them women and all of them members of the new, post-Vietnam, all-volunteer American military—swarmed into the Persian Gulf region. They were joined by nearly 270,000 troops, pilots, and sailors from twenty-eight other countries in the coalition opposed to Iraq. When all diplomatic efforts to resolve the crisis failed, the U.S. Congress voted regretfully on January 12 to approve the use of

force. The time bomb of war now ticked off its final few beats.

Fighting "Operation Desert Storm"

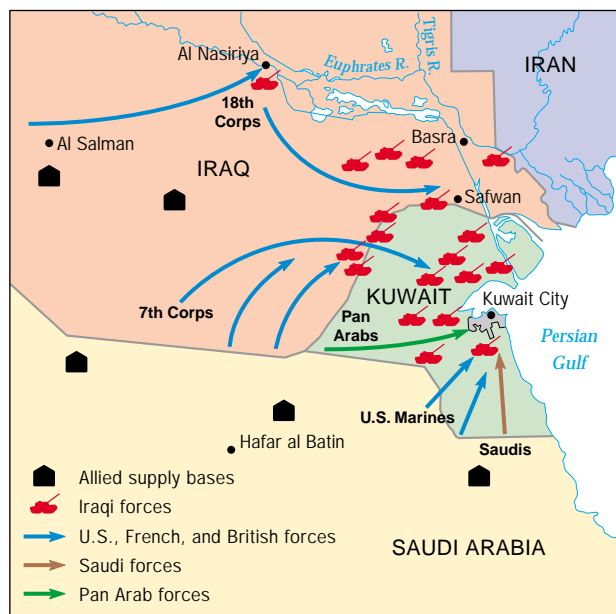
On January 16, 1991, the United States and its U.N. allies unleashed a hellish air war against Iraq. For thirty-seven days, warplanes pummeled targets in occupied Kuwait and in Iraq itself. The air campaign constituted an awesome display of high-technology, precision-targeting modern warfare. Yet the Iraqis claimed, probably rightly, that civilians were killed.

Iraq responded to this pounding by launching several dozen "Scud" short-range ballistic missiles against military and civilian targets in Saudi Arabia and Israel. These missile attacks claimed several lives but did no significant military damage.

Yet if Iraq made but a feeble military response to the air campaign, the allied commander, the beefy and blunt American general Norman ("Stormin' Norman") Schwarzkopf, took nothing for granted. Saddam, who had threatened to wage "the mother of all battles," had the capacity to inflict awful damage. Iraq had stockpiled tons of chemical and biological weapons, including poison gas and the means to spread epidemics of anthrax. Saddam's tactics also included ecological warfare as he released a gigantic oil slick into the Persian Gulf to forestall amphibious assault and ignited hundreds of oil-well fires, whose smoky plumes shrouded the ground from aerial view. Faced with these horrifying tactics, Schwarzkopf's strategy was starkly simple: soften the Iraqis with relentless bombing, then suffocate them on the ground with a tidal-wave rush of troops and armor.

On February 23 the dreaded and long-awaited land war began. Dubbed "Operation Desert Storm," it lasted only four days—the "hundred-hour war." With lightning speed the U.N. forces penetrated deep into Iraq, outflanking the occupying forces in Kuwait and blocking the enemy's ability either to retreat or to reinforce. Allied casualties were amazingly light, whereas much of Iraq's remaining fighting force was quickly destroyed or captured. On February 27 Saddam accepted a cease-fire, and Kuwait was liberated.

Most Americans cheered the war's rapid and enormously successful conclusion. Some, remembering the antiwar movement of the 1960s, had protested against going to war. But the end had



Operation Desert Storm: The Ground War,
February 23–27, 1991

come so suddenly and decisively that antiwar sentiment on a large scale never crystallized. And unlike the forlorn veterans of Vietnam, who had struggled back to their embittered and disillusioned homeland, the troops from Operation Desert Storm returned home to enthusiastic heroes' welcomes.

The war had nevertheless failed to dislodge Saddam from power. When the smoke cleared, he had survived to menace the world another day. The perpetually troubled Middle East knew scarcely less trouble after Desert Storm had ceased to thunder, and the United States, for better or worse, found itself even more deeply ensnared in the region's web of mortal hatreds and intractable conflicts.

Bush on the Home Front

In his inaugural address, George Bush pledged that he would work for a “kinder, gentler America.” He redeemed that promise in part when he signed the Americans with Disabilities Act (ADA) in 1990, a landmark law prohibiting discrimination against the 43 million U.S. citizens with physical or mental disabilities. The president also signed a major water projects bill in 1992 that fundamentally reformed the distribution of subsidized federal water in the West. The bill put the interests of the environment ahead of agriculture, especially in California's heavily irrigated Central Valley, and made much more water available to the West's thirsty cities.

The new president continued to aggravate the explosive “social issues” that had so divided Americans throughout the 1980s, especially the nettlesome questions of affirmative action and abortion.

In 1990 Bush's Department of Education challenged the legality of college scholarships targeted for racial minorities. Bush repeatedly threatened to veto civil rights legislation that would make it easier for employees to prove discrimination in hiring and promotion practices. (He grudgingly accepted a watered-down civil rights bill in 1991.)

Most provocatively, in 1991 Bush nominated for the Supreme Court the conservative African-American jurist Clarence Thomas. A stern critic of affirmative-action policies, Thomas was slated to fill a seat vacated by the retirement of Thurgood Marshall, the Court's lone black justice and an outspoken champion of civil rights.

Thomas's nomination was loudly opposed by liberal groups, including organized labor, the National Association for the Advancement of Colored People (NAACP), and the National Organization for Women (NOW), which objected to Thomas's presumed opposition to abortion rights—though the nominee studiously refrained from publicly

commenting on the landmark abortion case of *Roe v. Wade*, claiming, incredibly, that he had never thought about it or discussed it.

Reflecting irreconcilable divisions over affirmative action and abortion, the Senate Judiciary Committee concluded its hearings on the nomination with a divided 7–7 vote and forwarded the matter to the full Senate without a recommendation. Then, just days before the Senate was scheduled to vote in early October 1991, a press leak revealed that Anita Hill, a law professor at the University of Oklahoma, had accused Thomas of sexual harassment. The public outcry at this allegation forced the Senate Judiciary Committee to reopen its hearings. For days a prurient American public sat glued to their television sets as Hill graphically detailed her charges of sexual improprieties and Thomas angrily responded. Although Hill passed a lie detector test, thirteen other female colleagues of Thomas testified that they had never witnessed any improper behavior. In the end, by a 52–48 vote, the Senate narrowly

confirmed Thomas as the second African-American ever to sit on the supreme bench. Hill's charges had failed to block Thomas's nomination, but many Americans hailed her as a heroine for her role in focusing the nation's attention on issues of sexual harassment. (Oregon's Republican senator Robert Packwood was among the most prominent officials to fall victim to the new sexual etiquette when he was forced to resign from the Senate in 1995 after charges that he had sexually harassed several women.) Thomas maintained that Hill's widely publicized, unproved allegations amounted to "a high-tech lynching for uppity blacks who in any way deign to think for themselves, to do for themselves."

The furor over Clarence Thomas's confirmation suggested that the social issues that had helped produce three Republican presidential victories in the 1980s were losing some of their electoral appeal. Many women, enraged by the all-male judiciary committee's behavior in the Clarence Thomas hearings, grew increasingly critical of the president's uncompromising stand on abortion. A "gender gap" opened between the two political parties, as pro-choice women grew increasingly cool toward the strong anti-abortion stand of the Republicans.

Still more damaging to President Bush's political health was the economy, which sputtered and stalled almost from the outset of his administration. By 1992 the unemployment rate exceeded 7 percent.

It approached 10 percent in the key state of California, ravaged by defense cutbacks. The federal budget deficit continued to mushroom cancerously, topping \$250 billion in each of Bush's years as president. In a desperate attempt to stop the hemorrhage of red ink, Bush agreed in 1990 to a budget agreement with Congress that included \$133 billion in new taxes.

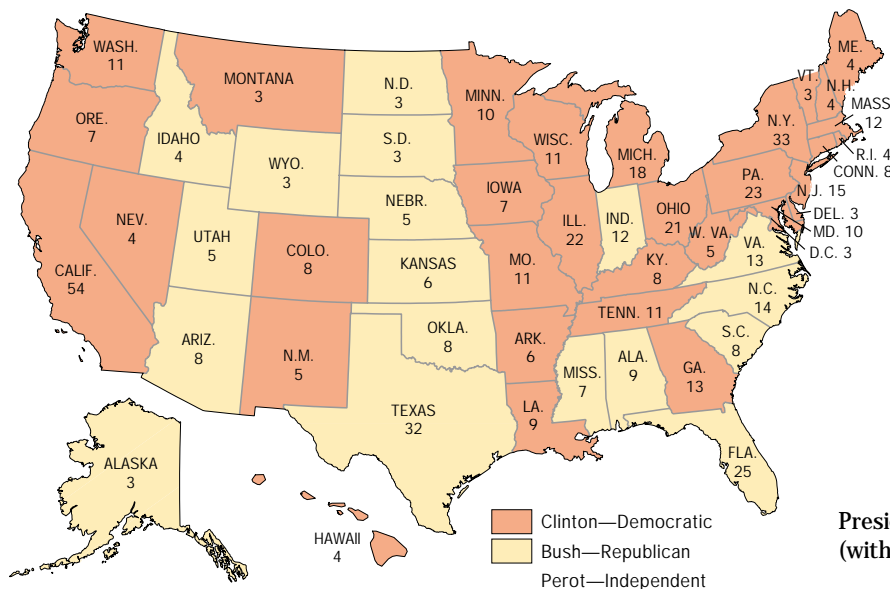
Bush's 1990 tax and budget package added up to a political catastrophe. In his 1988 presidential campaign, Bush had belligerently declared, "Read my lips—no new taxes." Now he had flagrantly broken that campaign promise.

The intractable budgetary crisis and the stagnant economy congealed in a lump of disgust with all political incumbents. Disillusion thickened in 1991 when it was revealed that many members of the House of Representatives had written thousands of bad checks from their accounts in a private House "bank." Although no taxpayers' money was involved, the image of privileged politicians incompetently managing their private business affairs, with no penalty, even while they were grossly mismanaging the Republic's finances, further soured the voters. A movement to impose limits on the number of terms that elected officials could serve gained strength in many states. Sniffing this prevailing wind, unprecedented numbers of officeholders announced that they would not stand for reelection.

Bill Clinton: The First Baby-Boomer President

The slumbering economy, the widening gender gap, and the rising anti-incumbent spirit spelled opportunity for Democrats, frozen out of the White House for all but four years since 1968. In a bruising round of primary elections, Governor William Jefferson Clinton of Arkansas weathered blistering accusations of womanizing and draft evasion to emerge as his party's standard-bearer. Breaking with the tradition of a "balanced ticket," he selected a fellow fortysomething southern white male Protestant moderate, Senator Albert Gore of Tennessee, as his vice-presidential running mate.

Clinton claimed to be a "new" Democrat, chastened by the party's long exile in the political wilderness. Spurred especially by Walter Mondale's galling defeat at the hands of Ronald Reagan in 1984, Clinton and other centrist Democrats had formed the Democratic Leadership Council to point the party away from its traditional antibusiness, dovish, champion-of-the-underdog orientation and toward progrowth, strong defense, and anticrime policies. Clinton campaigned especially vigorously on promises to stimulate the economy, reform the welfare system, and overhaul the nation's health-care apparatus, which had grown into a scandalously



Presidential Election of 1992
(with electoral vote by state)

expensive contraption that failed to provide medical coverage to some 37 million Americans.

Trying to wring one more win out of the social issues that had underwritten two Reagan and one Bush presidential victories, the Republican convention in Houston in August 1992 dwelt stridently on “family values” and, as expected, nominated George Bush and Vice President J. Danforth Quayle for a second term. A tired and apparently dispirited Bush then took to the campaign trail. His listless performances and spaghetti sentences set him sharply apart from his youthful rival, the superenergetic, articulate Clinton. Bush halfheartedly attacked Clinton’s character, contrasting the Arkansan’s evasion of military service in the Vietnam War with his own heroic record as a navy flier in World War II. The president seemed to campaign more for vindication in the history books than for victory in the election. He tried to take credit for the end of the Cold War and trumpeted his leadership role in the Persian Gulf War.

But fear for the economic problems of the future swayed more voters than pride in the foreign policies of the past. The purchasing power of the average worker’s paycheck had actually declined during Bush’s presidency. At Clinton’s campaign headquarters, a simple sign reminded staffers of his principal campaign theme: “It’s the economy, stupid.” Reflecting pervasive economic unease and the virulence of the throw-the-bums-out national mood, nearly 20 percent of voters cast their ballots for independent presidential candidate H. Ross Perot, a bantamweight, jug-eared Texas billionaire who harped incessantly on the problem of the federal deficit and made a boast of the fact that he had never held any public office.

Perot’s colorful presence probably accounted for the record turnout on election day, when some 100 million voters—55 percent of those eligible—went to the polls. The final tallies gave Clinton 43,728,275 popular votes and 370 votes in the Electoral College. He was the first baby boomer to ascend to the White House, a distinction reflecting the electoral profile of the population, 70 percent of whom had been born after World War II. Bush polled some 38,167,416 popular and 168 electoral votes. Perot won no Electoral College votes but did gather 19,237,247 in the popular count—the strongest showing for an independent or third-party candidate since Theodore Roosevelt ran on the Bull Moose ticket in 1912. Democrats also racked up clear majorities in both houses of Congress, which

seated near-record numbers of new members, including thirty-nine African-Americans, nineteen Hispanic-Americans, seven Asian-Americans, one Native American, and forty-eight women. In Illinois Carol Moseley-Braun became the first African-American woman elected to the U.S. Senate, where she joined five other women in the largest female contingent ever in the upper chamber.

Women also figured prominently in President Clinton’s cabinet, including the first female attorney general, Janet Reno, and former Wisconsin University president Donna Shalala, who became the secretary of health and human services. Vowing to shape a government that “looked like America,” Clinton appointed several ethnic and racial minority members to his cabinet contingent, including former San Antonio mayor Henry Cisneros at Housing and Urban Development and an African-American, Ron Brown, as secretary of commerce. Clinton also seized the opportunity in 1993 to nominate Ruth Bader Ginsburg to the Supreme Court, where she joined Sandra Day O’Connor to make a pair of women justices.

A False Start for Reform

Badly overestimating his electoral mandate for liberal reform, the young president made a series of costly blunders upon entering the White House. In one of his first initiatives on taking office, he stirred a hornet’s nest of controversy by advocating an end to the ban on gays and lesbians in the armed services. Faced with ferocious opposition, the president finally had to settle for a “don’t ask, don’t tell” policy that quietly accepted gay and lesbian soldiers and sailors without officially acknowledging their presence in the military.

Even more damaging to Clinton’s political standing, and to his hopes for lasting liberal achievement, was the fiasco of his attempt to reform the nation’s health-care system. In a dramatic but personally and politically risky innovation, the president appointed his wife, nationally prominent lawyer and child-advocate Hillary Rodham Clinton, as the director of a task force charged with redesigning the medical-service industry. After months of highly publicized hearings and scrappy planning sessions, the task force unveiled its stupefyingly complicated plan in October 1993. Critics

immediately blasted the cumbersome, convoluted proposal, which was virtually dead on arrival in Congress, where it was finally buried one year later. As the reform plan's principal architect, the First Lady was doused with a torrent of abuse. She had entered the White House as a full political partner with her husband, sharing the national spotlight as no previous First Lady had done. But midway through his first term, she had become a political liability and sidestepped quietly to the shadows.

Clinton had better luck with a deficit-reduction bill in 1993, which combined with a moderately buoyant economy by 1996 to shrink the federal deficit to its lowest level in more than a decade. He also induced the Congress in 1993 to pass a gun-control law, the "Brady Bill," named for presidential aide James Brady, who had been wounded and disabled by gunfire in the assassination attempt on President Ronald Reagan in 1981. In July of 1994,

Clinton made further progress against the national plague of firearms when he persuaded Congress to pass a \$30 billion anticrime bill, which contained a ban on several types of assault weapons.

With these measures the government struggled to hold the line against an epidemic of violence that rocked American society in the 1990s. A radical Muslim group bombed New York's World Trade Center in 1993, killing six people. A still larger blast destroyed a federal office building in Oklahoma City, Oklahoma, in 1995, taking 168 lives, presumably in retribution for a 1993 standoff in Waco, Texas, between federal agents and a fundamentalist sect known as the Branch Davidians. That showdown ended in the destruction of the sect's compound and the deaths of many Branch Davidians, including women and children. The last two episodes brought to light a lurid and secretive underground of paramilitary private "militias,"

composed of alienated citizens armed to the teeth and ultrasuspicious of all governments.

Even many law-abiding citizens shared to some degree in the antigovernment attitudes that drove the militia members to murderous extremes. Thanks largely to the disillusioning agony of the Vietnam War and the naked cynicism of Richard Nixon in the Watergate scandal, the confidence in government that had come naturally to the generation that licked the Great Depression and won the Second World War was in short supply by the century's end. Reflecting that pervasive disenchantment with politics and politicians, some twenty-three states had imposed restrictions on elected officials with term-limit laws by the mid-1990s, though the Supreme Court ruled in 1995 that such laws did not apply to federal officeholders.

The Politics of Distrust

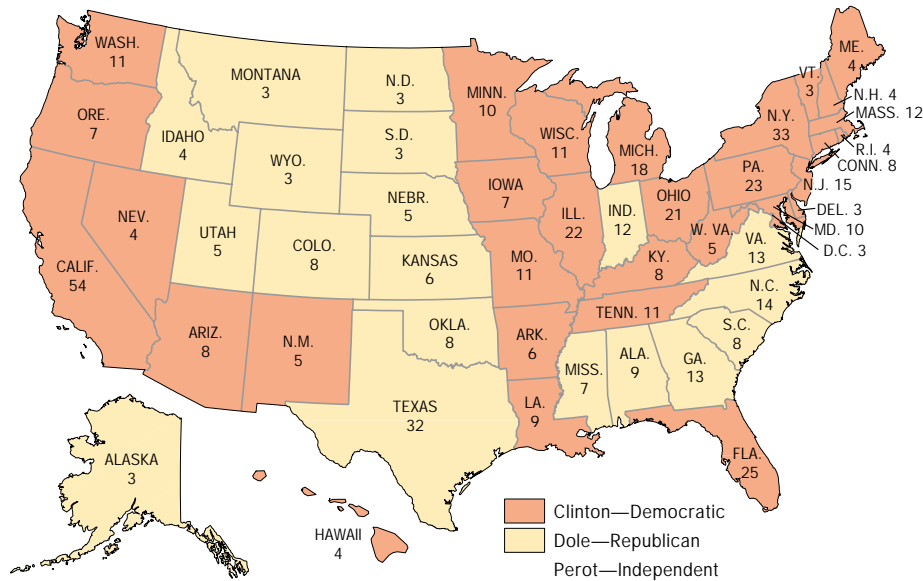
Clinton's failed initiatives and widespread antigovernment sentiment offered conservative Republicans a golden opportunity in 1994, and they seized it aggressively. Led by outspoken Georgia representative Newt Gingrich, conservatives offered voters a "Contract with America" that promised an all-out assault on budget deficits and radical reductions in welfare programs. Liberal Democrats countered that the conservative pledge should be called a "Contract *on* America," but their protests were drowned in the right-wing tornado that roared across the land in the 1994 congressional elections. Every incumbent Republican gubernatorial, senatorial, and congressional candidate was reelected. Republicans also picked up eleven new governorships, eight seats in the Senate, and fifty-three seats in the House (where Gingrich became speaker), giving them control of both chambers of the federal Congress for the first time in forty years.

But if President Clinton had overplayed his mandate for liberal reform in 1993, the congressional Republicans now proceeded to overplay their mandate for conservative retrenchment. The new Republican majority did legislate one long-standing conservative goal when they restricted "unfunded mandates"—federal laws that imposed new obligations on state and local governments without providing new revenues. And in 1996 the new Congress

achieved a major conservative victory when it compelled a reluctant Clinton to sign the Welfare Reform Bill, which made deep cuts in welfare grants and required able-bodied welfare recipients to find employment. The new welfare law also tightly restricted welfare benefits for legal and illegal immigrants alike, reflecting a rising tide of anti-immigrant sentiment as the numbers of newcomers climbed toward an all-time high. Old-line liberal Democrats howled with pain at the president's alleged betrayal of his party's heritage, and some prominent administration members resigned in protest against his decision to sign the welfare bill. But Clinton's acceptance of the welfare reform package was part of his shrewd political strategy of accommodating the electorate's conservative mood by moving to his right.

President Clinton was at first stunned by the magnitude of the Republican congressional victory in 1994. For a time he was reduced to lamely reminding Congress that the president was still relevant to the political and policy-making process. But many Americans gradually came to feel that the Gingrich Republicans were bending their conservative bow too far, especially when the new speaker advocated provocative ideas like sending the children of welfare families to orphanages. In a tense confrontation between the Democratic president and the Republican Congress, the federal government actually had to shut down for several days at the end of 1995, until a budget package was agreed upon. These outlandishly partisan antics bred a backlash that helped President Clinton rebound from his condition as a political dead duck.

As the Republicans slugged it out in a noisy round of presidential primaries in 1996, Clinton's reelection campaign raised spectacular sums of money—some of it, investigations later revealed, from questionable sources. The eventual Republican standard-bearer was Kansas senator Robert Dole, a decorated World War II veteran who ran a listless campaign. Clinton, buoyed by a healthy economy and by his artful trimming to the conservative wind, breezed to an easy victory, with 45,628,667 popular votes to Dole's 37,869,435. The Reform party's egomaniacal leader, Ross Perot, ran a sorry third, picking up less than half the votes he had garnered in 1992. Clinton won 379 electoral votes, Dole only 159. But Republicans remained in control of Congress.



Presidential Election of 1996 (with electoral vote by state) The “solid South,” once a safe Democratic stronghold, had by century’s end largely become Republican territory.

Clinton Again

As Clinton began his second term—the first Democratic president since Franklin Delano Roosevelt to be reelected—he once again appointed a diversified cabinet, but the heady promises of far-reaching reform with which he had entered the White House four years earlier were no longer heard. Still facing Republican majorities in both houses of Congress, he proposed only modest legislative goals, even though soaring tax revenues generated by the prosperous economy produced in 1998 a balanced federal budget for the first time in three decades.

Clinton cleverly managed to put Republicans on the defensive by claiming the political middle ground. He now warmly embraced the landmark Welfare Reform Bill of 1996 that he had initially been slow to endorse. Juggling the political hot potato of affirmative action, Clinton pledged to “mend it, not end it.” When voters in California in 1996 approved Proposition 209, prohibiting affirmative-action preferences in government and higher education, the number of minority students in the state’s public universities temporarily plummeted. A federal appeals court decision, *Hopwood v. Texas*, had a

similar effect in Texas. Clinton criticized these broad assaults on affirmative action but stopped short of trying to reverse them, aware that public support for affirmative action, especially among white Americans, had diminished since the 1970s. In California and elsewhere, Clinton-style Democrats increasingly sought ways to aid the economically disadvantaged, including minorities, while avoiding the minefield of racial preferences.

Clinton’s major political advantage continued to be the roaring economy, which by 2000 had sustained the longest period of growth in American history. While unemployment crept down to 4 percent and businesses scrambled madly for workers, inflationary pressure remained remarkably low. An economic crisis in late 1997 plunged Southeast Asia and South Korea into financial turmoil, arousing fears of a global economic meltdown. But despite volatility in the stock market, the United States surged ahead, driven by new Internet businesses and other high-tech and media companies. The economic “Asian flu” caused only a few sniffles for the robust American economy.

Prosperity did not make Clinton immune to controversy over trade policy. During his first term, Clinton had displayed political courage by

supporting the North American Free Trade Agreement (NAFTA), creating in 1993 a free-trade zone encompassing Mexico, Canada, and the United States. In doing so, he reversed his own stand in the 1992 election campaign and bucked the opposition of protectionists in his own party, especially labor leaders fearful of losing jobs to low-wage Mexican workers. Clinton took another step in 1994 toward a global free-trade system when he vigorously promoted the creation of the World Trade Organization (WTO), the successor to the General Agreement on Tariffs and Trade (GATT) and a cherished goal of free-trade advocates since the end of the Second World War.

Simmering discontent over trade policy boiled over in 1999 when Clinton hosted the meeting of the WTO in Seattle. The city's streets filled with protesters railing against what they viewed as the human and environmental costs of economic "globalization." Clinton, eager to keep Democratic party activists and the trade unions in line in the upcoming election year, expressed measured sympathy with the protest, to the dismay of trade negotiators from the poor countries of the Southern Hemisphere, who resented Yankee meddling with their plans for economic development. Trade talks fizzled in Seattle, with Clinton taking a hefty share of the blame.

Money spurred controversy of another sort in the late 1990s. Campaign finance reform, long smoldering as a potential issue, suddenly flared up after the 1996 presidential campaign. Congressional investigators revealed that the Clinton campaign had received funds from many improper sources, including contributors who paid to stay overnight in the White House and foreigners who were legally prohibited from giving to American campaigns. But Republicans and Democrats alike had reason to avoid reform. Both parties had grown dependent on vast sums to finance television ads for their candidates. Clinton did little more than pay lip service to the cause of campaign finance reform. But within the ranks of both parties, a few mavericks proposed to eliminate the corrupting influence of big donors. Senator John McCain from Arizona made campaign finance reform a centerpiece of his surprisingly strong, though ultimately unsuccessful, bid for the Republican presidential nomination in the 2000 campaign.

Two domestic issues inspired Clinton to act boldly in his second term: the fights *against* big tobacco and *for* gun control. In 1998 the large tobacco companies and the attorneys general of several states worked their way toward a huge legal settlement. In return for restricting advertising targeted at young people and for giving the states \$358 billion to offset the public-health costs of smoking, the tobacco firms would win immunity from further litigation, including at the federal level. When the deal came before Congress, Clinton weighed in heavily behind it, while big tobacco spent \$40 million to snuff it out. The deal collapsed, but the tobacco wars continued. Months later eight states worked out a more limited settlement, and in 1999 the Clinton administration shifted its strategy to the

courts, where it hoped lawsuits would eventually force the tobacco industry to reimburse the federal government the \$20 million a year Clinton officials argued Uncle Sam had spent since the 1950s on smokers' health.

Clinton's focus on gun control had a tragic impetus. On an April morning in 1999, two students at Columbine High School in Littleton, Colorado, killed twelve fellow students and a teacher in the deadliest of a series of school shootings that shook the nation in the mid to late 1990s (see p. 1006). Debate flared over the origins of this epidemic of school violence. Some observers targeted the violence of movies, TV shows, and video games, others the failings of parents. But the culprit that attracted the most sustained political attention was guns—their abundance and accessibility, especially in suburban and rural communities, where most of the school shootings had occurred. Clinton engaged in a pugnacious debate with the progun National Rifle Association over the need to toughen gun laws. The "Million Mom March" in Washington in May 2000 demonstrated the growing public support for new antigun measures.

Problems Abroad

The end of the Cold War robbed the United States of the basic principles on which it had conducted foreign policy for nearly half a century, and Clinton groped for a diplomatic formula to replace anticommunism in the conduct of America's foreign affairs. The Cold War's finale also shook a number of skeletons loose from several government closets. Sensational revelations that Central Intelligence Agency double agents had sold secrets to the Soviets during the Cold War years, causing the execution of American agents abroad, demonstrated that the ghost of the Cold War still cast its frosty shadow over official Washington.

Absorbed by domestic issues, President Clinton at first seemed uncertain and even amateurish in his conduct of foreign policy. He followed his predecessor's lead in dispatching American troops as part of a peacekeeping mission to Somalia and reinforced the U.S. contingent after Somali rebels killed more than a dozen Americans in late 1993. But in March 1994, the president quietly withdrew the

American units, without having accomplished any clearly defined goal. Burned in Somalia, Washington stood on the sidelines in 1995 when catastrophic ethnic violence in the central African country of Rwanda resulted in the deaths of half a million people. A similar lack of clarity afflicted policy toward Haiti, where democratically elected president Jean-Bertrand Aristide had been deposed by a military coup in 1991. Clinton at last committed twenty thousand American troops to return Aristide to the Haitian presidency in 1994, after thousands of desperate Haitian refugees had sought asylum in the United States.

It took time, too, for Clinton to settle on an approach to China. Candidate Clinton had denounced George Bush in 1992 for not imposing economic sanctions on China as punishment for Beijing's wretched record of human rights abuses. But President Clinton learned what Bush had long known: China's economic importance to the United States did not permit Washington the luxury of taking the high road on human rights. Clinton soon soft-pedaled his criticism of the Beijing regime and instead began seeking improved trade relations with that rapidly industrializing country and poten-

tial market bonanza. By 2000 Clinton had become the country's leading crusader for a controversial China trade bill, passed by Congress in May 2000, which made the Asian giant a full-fledged trading partner of the United States.

Clinton's approach to the tormented Balkans in southeastern Europe showed a similar initial hesitation, followed eventually by his assumption of a leadership role. In the former Yugoslavia, as vicious ethnic conflict raged through Bosnia, the Washington government dithered until finally deciding to commit American troops to a NATO peacekeeping contingent in late 1995. Deadlines for removing the troops were postponed and then finally abandoned altogether as it became clear that they were the only force capable of preventing new hostilities. NATO's expansion to include the new member states of Poland, Hungary, and the Czech Republic in 1997, and its continuing presence in Bosnia, failed to pacify the Balkans completely. When Serbian president Slobodan Milosević in 1999 unleashed a new round of "ethnic cleansing" in the region, this time against ethnic Albanians in the province of Kosovo, U.S.-led NATO forces launched an air war against Serbia. The bombing campaign initially failed to

stop ethnic terror, as refugees flooded into neighboring countries, but it eventually forced Milosević to accept a NATO peacekeeping force in Kosovo. With ethnic reconciliation still a distant dream in the Balkans, Washington accepted the reality that American forces had an enduring role as peacekeepers in the region.

The Middle East remained a major focus of American diplomacy right up to the end of Clinton's tenure. In 1993 Clinton presided over a historic meeting at the White House between Israeli premier Yitzhak Rabin and Palestine Liberation Organization (PLO) leader Yasir Arafat. They agreed in principle on self-rule for the Palestinians within Israel. But hopes flickered two years later when Rabin fell to an assassin's bullet. Clinton and his second-term secretary of state, Madeleine Albright, spent the rest of the 1990s struggling to broker the permanent settlement that continued to elude Israelis and Palestinians. In Iraq Saddam Hussein persisted in his game of hide-and-seek with U.N. inspectors monitoring the Iraqi weapons program. When the chief U.N. inspector reported in 1998 that Iraq was out of compliance with U.N. rules, America and Britain launched air strikes against Iraqi weapons factories and warehouses. That same year the United States also conducted missile attacks against alleged terrorist sites in Afghanistan and Sudan in retaliation for terrorist bombings that had killed more than two hundred people at the U.S. embassies in Kenya and Tanzania.

In his final year as president, Clinton stepped up his efforts to leave a legacy as an international peacemaker. Along with his work in the Middle East, he sought to bring peace to Northern Ireland and the Korean peninsula, and he traveled to India and Pakistan in hopes of reducing the rivalry between the two nuclear powers of southern Asia. Although the guiding principles of foreign policy in the post-Cold War era remained elusive, Clinton had become a stalwart opponent of the minority factions in both parties that yearned for a new isolationism.

Scandal and Impeachment

President Clinton had ample cause for concern about his lasting reputation, since scandal had dogged him from the beginning of his presidency. Allegations of flagrant wrongdoing, reaching back to his prepresidential days in Arkansas, included a failed real estate investment known as the Whitewater Land Corporation. The Clintons' role in that deal prompted the appointment of a federal special prosecutor to investigate. Suspicions were especially aroused by the apparent suicide in 1993 of White House counsel and close Clinton associate Vincent W. Foster, Jr., who had handled the Clintons' legal and financial affairs. The president's loose ethics and womanizing even found fictional expressions in a runaway 1996 best-seller, *Primary Colors*,

though the actual Whitewater investigation never proved any Clinton wrongdoing.

But all the previous scandals were overshadowed when allegations broke in January 1998 that Clinton had engaged in a sexual affair with a young White House intern, Monica Lewinsky, and then lied about it when he testified under oath in a civil lawsuit. The lawsuit had been brought by an Arkansas woman, Paula Jones, who charged that then-governor Clinton had sexually harassed her when she was a state employee. The Supreme Court had unanimously agreed to permit the case to go forward in May 1997, ruling that being sued in a civil case would not “significantly distract” the president from his duties.

The accusation that Clinton had lied under oath in the Jones case presented a stunning windfall to the special prosecutor, Kenneth Starr, originally appointed to investigate the Whitewater deal. Like Captain Ahab pursuing the whale Moby Dick, Starr had relentlessly traced Clinton’s steps for years, spending \$40 million but never succeeding in finding evidence against the president himself. Clinton, now suddenly caught in a legal and political trap, delivered vehement public denials that he had engaged in “sexual relations” with “that woman.” After maintaining his innocence for eight months, Clinton was finally forced to acknowledge an “inappropriate relationship.” In September 1998 Starr presented to the House of Representatives a stinging report, including graphic sexual details, charging Clinton with eleven possible grounds for impeachment, all related to the Lewinsky matter.

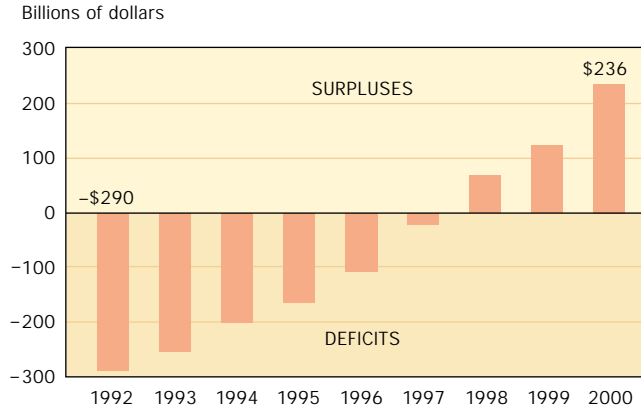
Led by its fiercely anti-Clinton Republican majority, the House quickly cranked up the rusty machinery of impeachment. After a nasty partisan debate, the House Republicans in December 1998 eventually passed two articles of impeachment against the president: perjury before a grand jury and obstruction of justice. Crying foul, the Democratic minority charged that, however deplorable Clinton’s personal misconduct, sexual transgressions did not rise to the level of “high crimes and misdemeanors” prescribed in the Constitution (see Art. II, Sec. IV in the Appendix). The House Republican managers (prosecutors) of impeachment for the Senate trial, led by Illinois congressman and House Judiciary Committee chairman Henry Hyde, claimed that perjury and obstruction were grave public issues and that nothing less than the “rule of law” was at stake.

As cries of “honor the Constitution” and “sexual McCarthyism” filled the air, the nation debated whether the president’s peccadilloes amounted to high crimes or low follies. Most Americans apparently leaned toward the latter. In the 1998 midterm elections, voters reduced the House Republicans’ majority, causing fiery House speaker Newt Gingrich to resign his post. Incredibly, Clinton’s job approval rating remained high and even rose throughout the long impeachment ordeal. Although Americans held a low opinion of Clinton’s slipshod personal morals, most liked the president’s political and economic policies and wanted him to stay in office. Kenneth Starr’s stock in public opinion fell accordingly.

In January and February 1999, for the first time in 130 years, the nation witnessed an impeachment proceeding in the U.S. Senate. Dusting off ancient precedents from Andrew Johnson’s trial, the one hundred solemn senators heard arguments and evidence in the case, with Chief Justice William Rehnquist presiding. With the facts widely known and the two parties’ political positions firmly locked in, the trial’s outcome was a foregone conclusion. On the key obstruction of justice charge, five northeastern Republicans joined all forty-five Democratic senators in voting not guilty. The fifty Republican votes for conviction fell far short of the constitutionally required two-thirds majority. The vote on the perjury charge was forty-five guilty, fifty-five not guilty.

Clinton’s Legacy

With the impeachment trial over, a weary nation yearned for Washington to move on to other business. Vowing to serve “until the last hour of the last day of my term,” Clinton spent what remained of his presidency seeking to secure a legacy for himself as an effective leader and moderate reformer. He designated major swaths of undeveloped land as protected wilderness and won public support for health-care improvements in the form of a “patients’ bill of rights.” He took advantage of big federal budget surpluses to win congressional approval for hiring 100,000 more teachers and 50,000 more police officers. Budget surpluses brought out the enduring differences between Republicans and Democrats. The former urged big tax cuts, the latter a mixture of smaller cuts and new



Deficits into Surpluses

In 1998 the U.S. Budget deficit became a surplus for the first time in decades. (Sources: Office Management and Budget and Bureau of Labor Statistics.)

ways to shore up Medicare and Social Security—a conflict in aims that set the stage for the 2000 presidential campaign.

Beyond the obvious stain of impeachment, Clinton's legacy was bound to be a mixed one for his country and his party. He came to office in 1992 determined to make economic growth his first priority, and in this domain he surely succeeded. Benefiting from a global expansion he had done little to foster, he nonetheless made sound appointments to top economic posts and kept a steady eye on the federal budget. The country achieved nearly full employment by decade's end, poverty rates inched down, and median income reached new highs. From 1998 to 2000, the federal budgets resulted in surpluses rather than deficits. Yet by governing successfully as a "New Democrat" and avowed centrist, Clinton did more to consolidate than reverse the Reagan-Bush revolution against the New Deal liberalism that had for half a century provided the compass for the Democratic party and the nation. As a brilliant communicator, Clinton kept alive a vision of social justice and racial harmony. But as an executive, he discouraged people from expecting government to remedy all the nation's ills. By setting such a low standard for his personal conduct, he replenished the sad reservoir of public cynicism about politics that Vietnam and Watergate had created a generation before. In the last days of his presidency, Clinton negotiated a deal with the Special Prosecutor to win immunity from possible legal action over the Lewinsky scandal by agreeing to a fine and a five-year suspension of his law license.

Controversy trailed Clinton out the White House door when the departing president issued several executive pardons that gave at least the appearance of rewarding political backers and donors.

The Bush-Gore Presidential Battle

Like Dwight D. Eisenhower in the 1950s, Clinton regarded the election of his vice president as a further means of ensuring his own legacy. Clinton's loyal vice president, Al Gore, easily won the Democratic party's presidential nomination in 2000. A quarter-century in national government, as congressman, senator, and vice president, had made Gore a seasoned and savvy policy expert, but many Americans found his somewhat formal personal bearing to be off-putting, especially when contrasted with the winsome charm of his boss. Gore also faced the tricky challenge of somehow associating himself with Clinton-era prosperity while detaching himself from Clinton-era scandal. Trying to distance himself from Clinton's peccadilloes, he chose as his running mate Connecticut senator Joseph Lieberman, an outspoken critic of Clinton during the Lewinsky affair and the first Jew nominated to a national ticket by a major party. Meanwhile, consumer advocate Ralph Nader's Green party threatened to siphon off the ballots of environmentalists who might otherwise have voted for Gore, a long-time champion of vigorous pro-environmental policies.

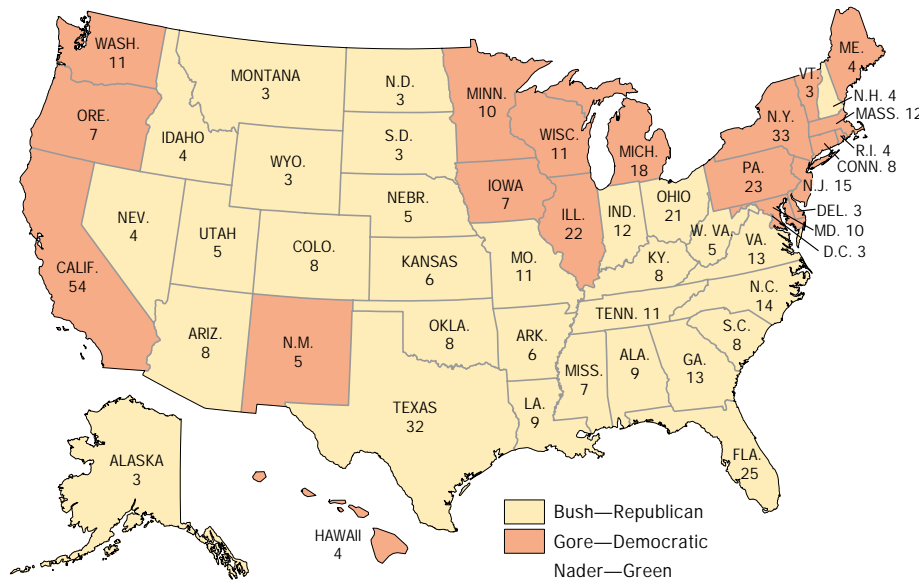
The Republican nominee, George W. Bush, had catapulted to party prominence on the strength of his being the eldest son of former president George Bush and his popularity as a two-term governor of Texas. Though untested on the national stage, he inspired the loyalty of able lieutenants and organized a formidable campaign with a promise “to restore dignity to the White House”—a thinly veiled attack on Clinton’s personal failings. Bush chose Dick Cheney, former secretary of defense in the elder Bush’s administration and a key planner in the Persian Gulf War of 1991, as his vice-presidential running mate, lending the ticket a much-needed aura of experience. Styling himself a “compassionate conservative,” “George W.” (also “W,” or sometimes “dubya”) promised to bridge the bitter division between moderates and die-hard conservatives within the Republican party.

Rosy estimates that the federal budget would produce a surplus of some \$2 trillion over the coming decade set the stage for the presidential contest. Bush called for returning two-thirds of the surplus “to the people” in the form of a \$1.3 trillion across-the-board tax cut. True to the Republican creed of smaller government, Bush championed private-sector initiatives, such as school vouchers, a reliance on “faith-based” institutions to serve the poor, and reforms to the Social Security system that would permit individual workers to invest part of their payroll taxes in private retirement accounts. Gore countered that Bush’s tax plan would benefit

the rich much more than the poor. Gore advocated a more modest tax cut targeted at the middle and lower classes and proposed using most of the surplus to reduce or even eliminate the national debt, shore up Social Security, and expand Medicare. In this post-Cold War era, foreign policy did not figure prominently in either candidate’s campaign.

Pollsters and candidates alike predicted a close election, but they could not foresee that the result would be an epochal cliffhanger. Not since the Hayes-Tilden election of 1876 had the usual electoral mechanisms ground their gears so badly before yielding a definite conclusion. In the pivotal state of Florida (where the Republican candidate’s brother Jeb Bush served as governor), the vote was so close that state law compelled a recount. When that second tally confirmed Bush’s paper-thin margin of victory, Democrats called for further hand recounts in several counties where confusing ballots and faulty machines seemed to have denied Gore a legitimate majority. Crying foul, Republicans turned to the courts to block any more recounting. A bizarre judicial tussle ensued as battalions of Democratic lawyers challenged the legality of Florida’s voting procedures and legions of Republican lawyers fought to stymie them.

When the Florida Supreme Court ordered a hand count of nearly sixty thousand ballots that the machines had failed to read, Republicans struck back on two fronts. The Republican-dominated



Presidential Election of 2000 (with electoral vote by state)
 Although Democratic vice president Albert Gore won the popular election for president by half a million votes, George W. Bush's contested five-hundred-vote advantage in Florida gave him a slight lead in the Electoral College. The 2.7 million popular votes won by Green party candidate and consumer activist Ralph Nader almost surely deprived Gore of victory, casting Nader in the role of spoiler. Bush's failure to win the popular vote inspired critics to protest at his inauguration with placards reading "Hail to the Thief."

Florida legislature moved to name a set of pro-Bush electors, regardless of the vote tabulating and retabulating then under way. The Bush campaign also took its case to the U.S. Supreme Court. There, with the eyes of an increasingly restive nation riveted on the proceedings, the nine justices broke into a bare-knuckle judicial brawl. Five bitterly divisive weeks after election day, the presidential campaign of 2000 finally ended when the high court's five most conservative members ruled in Bush's favor. They reasoned that since neither Florida's legislature nor its courts had established a uniform standard for evaluating disputed ballots, the hand counts amounted to an unconstitutional breach of the Fourteenth Amendment's "equal protection" clause. In a rare departure from high court decorum, the liberal minority excoriated the majority. Justice John Stevens wrote scathingly that the Court's decision jeopardized "the nation's confidence in the judge as an impartial guardian of the rule of law."

The Supreme Court ruling gave Bush the victory but also cast a cloud of illegitimacy over his presidency. Bush's final official margin of victory in Florida was only 537 votes of 6 million cast, and his national tally in the popular vote, 50,456,169 votes, fell short of Gore's 50,996,116. Bush also faced a Congress more evenly divided than any in history. For the first time, the Senate was split fifty-fifty between Democrats and Republicans, and the GOP's grip on the House dwindled to just a ten-vote majority.

The election featured other novelties besides its minuscule margins of victory. "W" became only the second son of a president, after John Quincy Adams, to win the White House. Hillary Rodham Clinton became the first First Lady to run for office, winning a U.S. Senate seat from New York.

The fiasco of the 2000 election severely tested American democracy, but in the end it earned a passing grade. The nation's two-century-old electoral machinery might have shown its age, but it managed to wheeze and clank its way to a peaceful resolution of one of the most ferociously contested presidential races ever. It could even be said that America's much-maligned political system managed to display a certain awkward dignity. Despite the fuss about unreadable ballots and all the partisan maneuvering, no credible charges of serious chicanery or outright corruption wafted up out of the election's cauldron of controversy. No really threatening riotous rabble filled the nation's streets. Both camps sought victory by calling out the lawyers, not the generals. No insoluble constitutional crisis emerged. And however unsettling the U.S. Supreme Court's intervention might have been, surely it was better to have the buck stop with the judges, not with a junta. The foresight of the Founders in crafting a system of elections and courts stood reaffirmed for the new century, although the imbroglio unquestionably demonstrated the need for modernized and nationally uniform balloting procedures. Some critics even called for the abolition of the Electoral College.

Chronology

- 1980** Reagan defeats Carter for presidency
- 1981** Iran releases American hostages
“Reaganomics” spending and tax cuts passed
Solidarity movement in Poland
O’Connor appointed to Supreme Court (first woman justice)
- 1981–1991** United States aids antileftist forces in Central America
- 1982** Recession hits U.S. economy
- 1983** Reagan announces SDI plan (Star Wars)
U.S. marines killed in Lebanon
U.S. invasion of Grenada
- 1984** Reagan defeats Mondale for presidency
- 1985** Gorbachev comes to power in Soviet Union
First Reagan-Gorbachev summit meeting, in Geneva
- 1986** Reagan administration backs Aquino in Philippines
Iran-contra scandal revealed
Second Reagan-Gorbachev summit meeting, in Reykjavik, Iceland
- 1987** Senate rejects Supreme Court nomination of Robert Bork
U.S. naval escorts begin in Persian Gulf
508-point stock-market plunge
Third Reagan-Gorbachev summit meeting, in Washington, D.C.; INF treaty signed
- 1988** Fourth Reagan-Gorbachev summit meeting, in Moscow
Bush defeats Dukakis for the presidency
- 1989** Chinese government suppresses prodemocracy demonstrators
Webster v. Reproductive Health Services
Eastern Europe throws off communist regimes
Berlin Wall torn down
- 1990** Iraq invades Kuwait
East and West Germany reunite
Americans with Disabilities Act (ADA)
- 1991** Persian Gulf War
Thomas appointed to Supreme Court
Gorbachev resigns as Soviet president
Soviet Union dissolves; republics form Commonwealth of Independent States
- 1992** Twenty-seventh Amendment (prohibiting congressional pay raises from taking effect until an election seats a new session of Congress) ratified
Planned Parenthood v. Casey
Clinton defeats Bush and Perot for presidency
- 1993** NAFTA signed
- 1994** Republicans win majorities in both houses of Congress
- 1996** Welfare Reform Bill becomes law
Clinton defeats Dole for presidency
- 1998** Clinton-Lewinsky scandal
U.S. and Britain launch military strikes against Iraq
House of Representatives impeaches Clinton
- 1999** Senate acquits Clinton on impeachment charges
Kosovo crisis; NATO warfare with Serbia
Protest in Seattle against World Trade Organization
- 2000** “Million Man March” against guns in Washington, D.C.
U.S. normalizes trade relations with China
George W. Bush wins presidency in Electoral College, although Albert Gore takes popular vote

Where Did Modern Conservatism Come From?

Ronald Reagan's election surprised many historians. Reflecting a liberal political outlook that is common among academic scholars, they were long accustomed to understanding American history as an inexorable, almost evolutionary, unfolding of liberal principles, including the quests for economic equality, social justice, and active government. That point of view animated the enormously popular writings of the so-called progressive historians, such as Charles and Mary Beard, earlier in the century (See Chapter 23, *Varying Viewpoints: The Populists: Radicals or Reactionaries?*). For the Beards, “conservatives” were the rich, privileged elites bent on preserving their wealth and power and determined to keep government impotent, but doomed in the end to give way to the forces of liberal democracy.

Even the “New Left” revisionists of the 1960s, while critical of the celebratory tone of their progressive forebears, were convinced that the deepest currents of American history flowed leftward. But whether they were liberal or revisionist, most scholars writing in the first three post-World War II decades dismissed conservatism as an obsolete political creed. The revisionists were much more interested in decrying liberalism's deficiencies than in analyzing conservatism's strengths. Liberals and revisionists alike abandoned the Beards' image of powerful conservative elites and offered instead a contemptuous portrait of conservatives as fringe wackos—paranoid McCarthyites or racist demagogues who, in the words of the liberal critic Lionel Trilling, trafficked only in “irritable mental gestures which seem to resemble ideas.” Such an outlook is conspicuous in books like Daniel Bell, ed., *The Radical Right* (1963), and Richard Hofstadter, *The Paranoid Style in American Politics* (1965).

But what flowed out of the turbulent decade of the 1960s was not a strengthened liberalism, but a revived conservatism. Ronald Reagan's huge political success compelled a thorough reexamination of the tradition of American conservatism and the sources of its modern resurgence.

Historians including Leo Ribuffo and Alan Brinkley have argued that characters once dismissed as irrational crackpots or colorful irrelevancies—including religious fundamentalists and depression-era figures like Huey Long and Father Charles Coughlin—articulated values deeply rooted

and widely shared in American culture. Those conservative spokespersons, whatever their peculiarities, offered a vision of free individuals, minimal government, and autonomous local communities that harked back to many of the themes of “civic republicanism” in the era of young nationhood.

But modern conservatism, however deep its roots, is also a product of the recent historical past. As scholars like Thomas Sugrue and Thomas Edsall have shown, the economic stagnation that set in after 1970 made many Americans insecure about their futures and receptive to new political doctrines. At the same time, as the commentator Kevin Phillips has stressed, “social issues,” with little or no apparent economic content, became increasingly prominent, as movements for sexual liberation, abortion on demand, and women's rights sharply challenged traditional beliefs. Perhaps most important, the success of the civil rights movement thrust the perpetually agonizing question of race relations to the very center of American political life. Finally, the failure of government policies in Vietnam, runaway inflation in the 1970s, and the disillusioning Watergate episode cast doubt on the legitimacy, efficacy, and even the morality of “big government.”

Many modern conservatives, including the pundit George Will, stress the deep historical roots of American conservatism. In their view, as Will once put it, it took sixteen years to count the ballots from the 1964 (Goldwater versus Johnson) election, and Goldwater won after all. But that argument is surely overstated. Goldwater ran against the legacy of the New Deal and was overwhelmingly defeated. Reagan ran against the consequences of the Great Society and won decisively. Many conservatives, in short, apparently acknowledge the legitimacy of the New Deal and the stake that many middle-class Americans feel they have in its programs of Social Security, home mortgage subsidies, farm price supports, and similar policies. But they reject the philosophy of the Great Society, with its more focused attack on urban poverty and its vigorous support of affirmative action. Modern conservatism springs less from a repudiation of government per se and more from a disapproval of the particular priorities and strategies of the Great Society. The different historical fates of the New Deal and the Great Society suggest the key to the rise of modern conservatism.