# CHAPTER 31

# FROM THE "AGE OF LIMITS" TO THE AGE OF REAGAN



"MORNING IN AMERICA, 1984" Ronald Reagan displays his legendary charm while speaking to supporters in Pennsylvania Dutch country during his successful campaign for reelection in 1984. Reagan avoided attacks on his Democratic opponent, Walter Mondale, and spoke instead mostly about what he called the "morning in America" that he claimed his policies had helped to produce. *(Time Life Pictures/Getty Images)*  HE FRUSTRATIONS OF THE early 1970s—the defeat in Vietnam, the Watergate crisis, the problems of the American economy—inflicted serious blows on the confident nationalism and muscular liberalism that had shaped so much of the postwar era. Many Americans began to wonder whether the future might be considerably bleaker than the past, whether the age of a growing economy and growing expectations might be over. Some vocal critics were writing of the dawn of an "age of limits," in which America would have to learn to survive with less of everything—money, energy, possibilities, global power—and thus would have to accept constricted expectations. The presidency of Jimmy Carter, which coincided with some of the nation's most serious economic difficulties, appeared at times to reflect these assumptions and eventually contributed to Carter's political demise.

At the end of the decade, however, the idea of an "age of limits" met a powerful and ultimately decisive challenge. That challenge combined a conservative rejection of some of the heady visions of the 1960s with a reinforced commitment to economic growth, international power, and American virtue. The effort to combat the "defeatism" of the 1970s took many forms and could be seen in intellectual life, popular culture, and, of course, politics. Throughout the 1970s, a powerful, grassroots conservative movement grew rapidly in many parts of the United States. This movement brought together those who wanted a more conservative economic policy with those who were most concerned about such cultural questions as religion and sexuality. It developed an impressive set of institutions and a remarkable ability to raise money for political campaigns.

The most potent symbol of this growing movement was Ronald Reagan, who was elected president in 1980 and who, for the next eight years, became a symbol of a new kind of confident conservatism that would soon have enormous influence in the United States and in many other parts of the world. Reagan helped re-legitimize a belief that trusting the power of the "free market" was a far more reliable recipe for economic success than trusting government economic policies. He also gathered support for a new American commitment to the Cold War and for a more active American role in the world. His presidency was less notable for broad legislative accomplishments than for the power of the ideas it expressed. Reagan's personal popularity was an important part of his success, but so was an impressive economic revival that helped win support for his ideas.

# SIGNIFICANT EVENTS

I G	NIFICANT EVENTS
1965	Richard Viguerie launches conservative direct-mail operations
1966	Ronald Reagan elected governor of California
974	
1	"Stagflation" (recession and inflation together) begins
1	Ford pardons Nixon
1	Ford meets Brezhnev at Vladivostok summit
1976	<ul> <li>Reagan challenges Ford in Republican presidential primaries</li> </ul>
	Mao Zedong dies
977	Panama Canal treaties signed
978	Panama Canal treaties ratified
	Voters in California approve Proposition 13, launching tax revolt
1	U.S. and China restore diplomatic relations
	Camp David accords signed
1979	5, ,
	Soviet Union invades Afghanistan
	<ul> <li>Sandinista revolution triumphs in Nicaragua</li> <li>SALT II signed</li> </ul>
1980	5
	Ronald Reagan elected president
1981	
1	Reagan wins major tax and budget cuts
1	U.S. military buildup begins
	Soviet Union forces' imposition of martial law in Poland
	<ul> <li>United States begins supporting contra rebellion in Nicaragua</li> </ul>
1	freugen surfres assassing for accorpt
1982	5
	office states invades of chada
	Economic recovery begins
1984	, ,
	presidential nomination
	president
	<ul> <li>Reagan defeats Walter Mondale in presidential election</li> </ul>
1985	
1986	
	Democrats regain control of U.S. Senate
1988	, , , , , , , , , , , , , , , , , , ,
	George H. W. Bush dereats Michael Dukakis In

- George H. W. Bush defeats Michael Dukakis in presidential election
- 1989 Berlin Wall dismantled and Germany reunifiesEastern European states overthrow communist
  - regimes
     China suppresses student uprisings with massacre in Tiananmen Square, Beijing
  - American forces overthrow Noriega in Panama
- 1990 South Africa begins to eliminate apartheidBush agrees to tax increase
  - Iraq invades Kuwait
- 1991 Soviet Union dissolves after failed coup attempt
  - Economy enters recession
- U.S. leads multinational force in Gulf War against Iraq
  - 1992 Clinton defeats Bush in presidential election

# POLITICS AND DIPLOMACY AFTER WATERGATE

In the aftermath of Richard Nixon's ignominious departure from office, many Americans wondered whether faith in the presidency, and in the government as a whole, could easily be restored. The administrations of the two presidents who succeeded Nixon did little to answer those questions.

# The Ford Custodianship

Gerald Ford inherited the presidency under unenviable circumstances. He had to try to rebuild confidence in government after the Watergate scandals and to restore economic prosperity in the midst of difficult domestic and international conditions. He enjoyed some success in the first of these efforts but very little in the second.

The new president's effort to establish himself as a symbol of political integrity suffered a setback only a

Nixon Pardoned

month after he took office, when he granted Richard Nixon "a full,

free, and absolute pardon" for any crimes he may have committed during his presidency. Ford explained that he was attempting to spare the nation the ordeal of years of litigation and to spare Nixon himself any further suffering. But much of the public suspected a secret deal with the former president. The pardon caused a decline in Ford's popularity from which he never fully recovered. Nevertheless, most Americans considered him a decent man; his honesty and amiability did much to reduce the bitterness and acrimony of the Watergate years.

The Ford administration enjoyed less success in its effort to solve the problems of the American economy. In his efforts to curb inflation, the president rejected the idea of wage and price controls and called instead for largely ineffective voluntary efforts. After supporting high interest rates, opposing increased federal spending (through liberal use of his veto power), and resisting pressures for a tax reduction, Ford had to deal with a serious recession in 1974 and 1975. The continuing energy crisis made his task more difficult. In the aftermath of the Arab oil embargo of 1973, the OPEC cartel began to raise the price of oil—by 400 percent in 1974 alone, one of the principal reasons why inflation reached 11 percent in 1976.

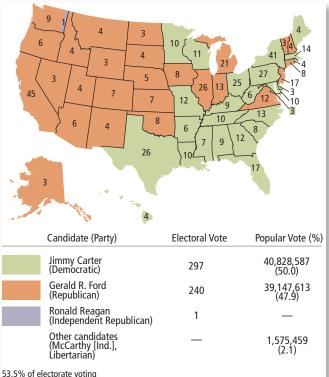
Ford retained Henry Kissinger as secretary of state and

#### Ford's Diplomatic Successes

continued the general policies of the Nixon years. Late in 1974, Ford met with Soviet premier

Leonid Brezhnev at Vladivostok in Siberia and signed an arms control accord that was to serve as the basis for SALT II, thus achieving a goal the Nixon administration had long sought. Meanwhile, in the Middle East, Henry Kissinger helped produce a new accord, by which Israel agreed to return large portions of the occupied Sinai to Egypt, and the two nations pledged not to resolve future differences by force.

Nevertheless, as the 1976 presidential election approached, Ford's policies were coming under attack from both the right and the left. In the Republican primary campaign, Ford faced a powerful challenge from former California governor Ronald Reagan, leader of the party's conservative wing, who spoke for many on the right who were unhappy with any conciliation of communists. The president only barely survived the assault to win his party's nomination. The Democrats, in the meantime, were gradually uniting behind a new and, before 1976, little known candidate: Jimmy Carter, a former governor of Georgia who organized a brilliant primary campaign and appealed to the general unhappiness with Washington by offering honesty, piety, and an outsider's skepticism of the federal government. And while Carter's mammoth lead in opinion polls dwindled by election day, unhappiness with the economy and a general disenchantment with Ford enabled the Democrat to hold on for a narrow victory. Carter emerged with 50 percent of the popular vote to Ford's 47.9 percent and 297 electoral votes to Ford's 240.



**THE ELECTION OF 1976** Jimmy Carter, a former governor of Georgia, swept the South in the 1976 election and carried enough of the industrial states of the Northeast and Midwest to win a narrow victory over President Gerald R. Ford. His showing indicated the importance to the Democratic Party of having a candidate capable of attracting support in the South, which was becoming increasingly Republican by the 1970s. • *What drove so many southerners into the Republican Party?* 

# The Trials of Jimmy Carter

Like Ford, Jimmy Carter assumed the presidency at a moment when the nation faced problems of staggering complexity and difficulty. Perhaps no leader could have thrived in such inhospitable circumstances. But Carter seemed at times to make his predicament worse by a style of leadership that many considered self-righteous and inflexible. He left office in 1981 one of the least popular presidents of the century.

Carter had campaigned for the presidency as an "outsider," representing Americans suspicious of entrenched bureaucracies and complacent public officials. He carried much of that suspiciousness with him to Washington. He surrounded himself in the White House with a group of close-knit associates from Georgia; and in the beginning, at least, he seemed deliberately to spurn assistance from more experienced

#### Carter's Lack of Direction

political figures. Carter was exceptionally intelligent, but his critics charged that he provided no over-

all vision or direction to his government. His ambitious legislative agenda included major reforms of the tax and welfare systems; Congress passed virtually none of it.

Carter devoted much of his time to the problems of energy and the economy. Entering office in the midst of a recession, he moved first to reduce unemployment by raising public spending and cutting federal taxes. Unemployment declined, but inflation soared—less because of the fiscal policies he implemented than because of the continuing, sharp increases in energy prices imposed on the West by OPEC. During Carter's last two years in office, prices rose at well over a 10 percent annual rate. Like Nixon and Ford before him, Carter responded with a combination of tight money and calls for voluntary restraint. He appointed first G.William Miller and then Paul Volcker,

#### High Interest Rates

both conservative economists, to head the Federal Reserve Board,

thus ensuring a policy of high interest rates and reduced currency supplies. By 1980, interest rates had risen to the highest levels in American history; at times, they exceeded 20 percent.

The problem of energy also grew steadily more troublesome in the Carter years. In the summer of 1979, instability in the Middle East produced a second major fuel shortage in the United States. In the midst of the crisis, OPEC announced another major price increase, clouding the economic picture further. Faced with increasing pressure to act (and with a dismal approval rating of 26 percent), Carter retreated to Camp David, the presidential retreat in the Maryland mountains. Ten days later, he emerged to deliver a remarkable television address. It included a series of proposals for resolving the energy crisis. But it was most notable for Carter's bleak assessment of the national condition. Speaking with unusual fervor, he complained of a "crisis of confidence" that had struck "at the very heart and soul of our national will." The address became known as the "malaise" speech (although



**CARTER IN THE WHITE HOUSE** Jimmy Carter made a strenuous effort to bring a sense of informality to the presidency, in contrast to the "imperial" style many had complained about during the Nixon years. He began on his inauguration day, when he and his family walked down Pennsylvania Avenue from the Capitol to the White House instead of riding in the traditional limousines. Here, Carter sits in a room in the White House preparing for a television address. He is sitting in front of a fire wearing a cardigan sweater, with his notes in his lap rather than on a desk. *(Bettmann/Corbis)* 

Carter himself had never used that word), and it helped fuel charges that the president was trying to blame his own problems on the American people. Carter's sudden firing of several members of his cabinet a few days later deepened his political problems.

# Human Rights and National Interests

Among Jimmy Carter's most frequent campaign promises was a pledge to build a new basis for American foreign policy, one in which the defense of "human rights" would replace the pursuit of "selfish interests." Carter spoke out sharply and often about violations of human rights in many countries (including, most prominently, the Soviet Union). Beyond that general commitment, the Carter administration focused on several more traditional concerns. Carter completed negotiations begun several years earlier on a pair of treaties to turn over control of the Panama Canal to the government of Panama. Domestic opposition to the treaties was intense. After an acrimonious debate, the Senate ratified the treaties by 68 to 32, only one vote more than the necessary two-thirds majority.

Carter's greatest achievement was his success in arranging a peace treaty between Egypt and Israel. Middle East negotiations between Egyptian president Anwar Sadat and Israeli prime minister Menachem Begin had begun in 1977. When those talks stalled, Carter invited Sadat and Begin to a summit conference at Camp David in September 1978, and persuaded them to remain there for two weeks while he and others helped mediate the disputes between them. On September 17, Carter

#### Camp David Accords

announced agreement on a "framework" for an Egyptian-

Israeli peace treaty. On March 26, 1979, Begin and Sadat returned together to the White House to sign a formal peace treaty—known as the Camp David accords—between their two nations.

In the meantime, Carter tried to improve relations with China and the Soviet Union and to complete a new arms agreement. He responded eagerly to the overtures of Deng Xiaoping, the new Chinese leader who was attempting to open his nation to the outside world. On December 15, 1978, Washington and Beijing announced the resumption of formal diplomatic relations. A few months later, Carter traveled to Vienna to meet with the aging and visibly ailing Brezhnev to finish drafting the new SALT II arms control agreement. The treaty set limits on the number of long-range missiles, bombers, and nuclear warheads for both the United States and the USSR. Almost immediately, however, SALT II met with fierce conservative opposition in the United States.

# The Year of the Hostages

Ever since the early 1950s, the United States had provided political support and, more recently, massive military assistance to the government of the Shah of Iran, hoping to make his nation a bulwark against Soviet expansion in the Middle East. By 1979, however, the Shah was in deep trouble with his own people. Many Iranians resented the repressive,

authoritarian tactics through



which the Shah had maintained his autocratic rule. At the same time, Islamic clergy (and much of the fiercely religious populace) opposed his efforts to modernize and Westernize a fundamentalist society. The combination of resentments produced a powerful revolutionary movement. In January 1979, the Shah fled the country.

The United States made cautious efforts in the first months after the Shah's abdication to establish cordial relations with the succession of increasingly militant regimes that followed. By late 1979, however, revolutionary chaos in Iran was making any normal relations impossible. What power there was resided with a zealous religious leader, the Ayatollah Ruhollah Khomeini, whose hatred of the West in general and the United States in particular was intense. In late October 1979, the deposed Shah arrived in New York to be treated for cancer. Days later, on November 4, an armed mob invaded the American embassy in Teheran, seized the diplomats and military personnel inside, and demanded the return of the Shah to Iran in exchange for their freedom. Fifty-three

#### SIGNING THE CAMP DAVID ACCORDS

Jimmy Carter experienced many frustrations during his presidency, but his successful efforts in 1978 to negotiate a peace treaty between Israel and Egypt was undoubtedly his finest hour. Egyptian president Anwar Sadat and Israeli prime minister Menachem Begin join Carter here in the East Room of the White House in March 1979 to sign the accords they had begun to hammer out during two weeks at the president's retreat at Camp David several months before. *(D. B. Owen/Black Star)* 





**WAITING FOR KHOMEINI** Iranian women, dressed in traditional Islamic garb, stand in a crowd in Teheran waiting for a glimpse of the Ayatollah Khomeini, the spiritual and eventually also political leader of the Iranian Revolution, which created so many difficulties for the United States. *(David Burnett/Contact Press Images)* 

Americans remained hostages in the embassy for over a year.

Only weeks after the hostage seizure, on December 27, 1979, Soviet troops invaded Afghanistan, the mountainous Islamic nation lying between the USSR and Iran. The Soviet Union had in fact been a power in Afghanistan for years, and the dominant force since April 1978, when a coup had established a Marxist government there with close ties to the Kremlin. But while some diplomats claimed that the Soviet invasion was a Russian attempt to secure the status quo, Carter called it the "gravest threat to world peace since World War II" and angrily imposed a series of economic sanctions on the Russians, canceled American participation in the 1980 summer Olympic Games in Moscow, and announced the withdrawal of SALT II from Senate consideration.

The combination of domestic economic troubles and international crises created widespread anxiety, frustra-

Carter's Falling Popularity tion, and anger in the United States—damaging President Carter's already low standing with

the public and giving added strength to an alternative political force that had already made great strides.

# THE RISE OF THE NEW AMERICAN RIGHT

Much of the anxiety that pervaded American life in the 1970s was a result of jarring public events that left many men and women shaken and uncertain about their leaders and their government. But much of it was a result, too, of significant changes in the character of America's economy, society, and culture. Together these changes provided the right with its most important opportunity in generations to seize a position of authority in American life.

# The Sunbelt and Its Politics

The most widely discussed demographic phenomenon of the 1970s was the rise of what became known as the "Sunbelt"—a term coined by the political analyst Kevin Phillips. The Sunbelt included the Southeast (particularly Florida), the Southwest (particularly Texas), and above all, California, which became the

nation's most populous state, sur-

Rise of the "Sunbelt"

passing New York, in 1964, and continued to grow dramatically in the years that followed. By 1980, the In the late nineteenth century, it was the department store that tried to create a magical world, attracting patrons by arousing consumer fantasies. By the late twentieth century, it was the mall that was fusing consumption, entertainment, and desire. In cities and towns in every part of America, malls became not just places for shopping, but often centers of a much-altered community life as well.



MAIN STREET This photograph of the Main Street of Henderson, Kentucky, in the 1940s was a popular image for advertisers and others trying to evoke the character of urban shopping in small cities—a kind of shopping soon to be displaced by shopping centers and malls outside the center of town. *(Ewing Galloway, N.Y.)* 

# THE MALL

The modern mall is the direct descendant of an earlier retail innovation, the automobile-oriented shopping center, which strove to combine a number of different shops in a single structure, with parking for customers. The first modern shopping center, the Country Club Plaza, opened in Kansas City in 1924. By the mid-1950s, shopping centers-ranging from small "strips" to large integrated complexes-had proliferated throughout the country and were challenging traditional downtown shopping districts, which suffered from lack of parking and from the movement of middle-class residents to the suburbs.

In 1956, the first enclosed, climatecontrolled shopping mall—the Southdale Shopping Center—opened in Minneapolis, followed quickly by similar ventures in New York, New Jersey, Illinois, North Carolina, and Tennessee.As the malls spread, they grew larger and more elaborate. They also began self-consciously to emulate some aspects of the older downtowns that they were rapidly displacing.At the same time, they tried to insulate customers from the dangers and aggravations of traditional urban shopping.



SHOPPING CENTER, NORTHERN VIRGINIA This small shopping center near Washington, D.C., was characteristic of the new "strip malls" that were emerging in the 1950s to serve suburban customers who traveled almost entirely by automobile. *(Charles Fenno Jacobs/Time Life Pictures/Getty Images)* 

By the 1970s, vast "regional malls" were emerging—Tyson's Corner in Fairfax, Virginia; Roosevelt Field on Long Island; the Galleria in Houston, and many others—that drew customers from great distances and dazzled them not only with acres of varied retail space, but also with restaurants, movie theaters, skating rinks, bowling alleys, hotels, video arcades, and large public spaces with fountains, benches, trees, gardens, and concert spaces. "The more needs you fulfill,

population of the Sunbelt had risen to exceed that of the older industrial regions of the North and the East.

In addition to shifting the nation's economic focus from one region to another, the rise of the Sunbelt helped produce a change in the political climate. The strong populist traditions in the South and the West were capable of producing progressive and even radical politics; but more often in the late twentieth century, they produced a strong opposition to the growth of government and a resentment of the proliferating regulations and restrictions that the liberal state was producing. Many of those regulations and restrictions-environmental laws, landuse restrictions, even the 55-mile-per-hour speed limit created during the energy crisis to force motorists to conserve fuel—affected the West more than any other region. Both the South and the West, moreover, embraced myths about their own pasts that reinforced hostility to liberal government.

White southerners equated the federal government's effort to change racial norms in the region with what they believed was the tyranny of Reconstruction. Westerners embraced an image of their region as a refuge of "rugged individualism" and resisted what they considered efforts by the government to impose new standards of behavior on them. Thus, the same impulses and rhetoric that populists had once used to denounce banks and corporations, the new conservative populists of the postwar era now used to attack the government—and the liberals, radicals, and minorities whom they believed were driving its growth.

The so-called Sagebrush Rebellion, which emerged in parts of the West in the late 1970s, mobilized conservative opposition to environmental

laws and restrictions on develop-

#### Sagebrush Rebellion

ment. It also sought to portray the West (which had probably benefited more than any other region from federal investment) as a victim of government control. Its members complained about the very large amounts of land the federal government owned in many western states and demanded that the land be opened for development.

Suburbanization also fueled the rise of the right. Not all suburbs bred conservative politics, of course; but the

the longer people stay," one developer observed.

Malls had become self-contained imitations of cities-but in a setting from which many of the troubling and abrasive features of downtowns had been eliminated. Malls were insulated from the elements. They were policed by private security forces, who (unlike real police) could and usually did keep "undesirable" customers off the premises. They were purged of bars, pornography shops, and unsavory businesses. They were off limits to beggars, vagrants, the homeless, and anyone else the managers considered unattractive to their customers. Malls set out to "perfect" urban space, recasting the city as a protected, controlled, and socially homogeneous site attractive to, and in many cases dominated by, white middle-class people.

Some malls also sought to become community centers in sprawling suburban areas that had few real community spaces of their own. A few malls built explicitly civic spaces—meeting halls and conference centers, where community groups could gather. Some published their own newspapers. Many staged concerts, plays, and dances. But civic activities had a difficult time competing with the principal attraction of the malls: consumption.



THE NORTHLAND MALL Constructed in 1960, and designed by architect Victor Gruen, who was one of the pioneers in designing indoor shopping malls, this vast shopping center in Northland, near Detroit, immediately attracted enormous crowds. (Courtesy of Victor Gruen Collection, American Heritage Center; University of Wyoming)

Malls were designed with women, the principal consumers in most families, mainly in mind. "I wouldn't know how to design a center for a man," one architect said of the complexes he built. They catered to the concerns of mothers about their own and their children's safety, and they offered products of particular interest to them. (Male-oriented stores—men's clothing, sporting goods, hardware stores were much less visible in most malls than shops marketing women's and children's clothing, jewelry, lingerie, and household goods.)

Malls also became important to teenagers, who flocked to them in the way that earlier generations had flocked to street corners and squares in traditional downtowns. The malls were places for teenagers to meet friends, go to movies, avoid parents, hang out. They were places to buy records, clothes, or personal items. And they were places to work. Low-paying retail jobs, plentiful in malls, were typical first working experiences for many teens.

The proliferation of malls has dismayed many people, who see in them a threat to the sense of community in America. By insulating people from the diversity and conflict of urban life, critics argue, malls divide groups from one another and erode the bonds that make it possible for those groups to understand one another. But malls, like the suburbs they usually serve, also create a kind of community. They are homogeneous and protected, to be sure, but they are also social gathering places in many areas where the alternative is not the rich, diverse life of the downtown but the even more isolated experience of shopping in isolated strips—or through catalogs, telephone, and the Internet.

#### Suburban Conservatism

most militantly conservative communities in America—among them Orange County in southern

California—were mostly suburbs. Suburbs tended to attract people who wished to flee the problems and the jarring diversity of cities, who preferred stable, homogeneous surroundings. Many suburbs insulated their residents from contact with diverse groups—through the relative homogeneity of the population, through the transferring of retail and even work space into suburban office parks and shopping malls.

# **Religious Politics**

In the 1960s, many social critics had predicted the extinction of religious influence in American life. *Time* magazine had reported such assumptions in 1966 with a celebrated cover emblazoned with the question "Is God Dead?" But religion in America was far from dead. Indeed, in the 1970s the United States experienced the beginning of a major religious revival, perhaps the most powerful since the Second Great Awakening of the early nineteenth century. It continued in various forms into the early twentyfirst century.

Some of the new religious enthusiasm found expression in the rise of various cults and pseudo-faiths: the Church of Scientology; the Unification Church of the Reverend Sun Myung Moon; even the tragic People's Temple, whose members committed mass suicide in their jungle retreat in Guyana in 1978. But the

Evangelical Christianity

religious revival was the growth of evangelical Christianity.

most important impulse of the

Evangelicalism is the basis of many forms of Christian faith, but evangelicals have in common a belief in personal conversion (being "born again") through direct communication with God. Evangelical religion had been the dominant form of Christianity in America through much of its history, and a substantial subculture since the late nineteenth century. In its modern form, it became increasingly visible during the early 1950s, when evangelicals such as Billy Graham and Pentecostals such as Oral



**GROWTH OF THE SUNBELT, 1970–1990** One of the most important demographic changes of the last decades of the twentieth century was the shift of population out of traditional population centers in the Northeast and Midwest and toward the states of the so-called Sunbelt—most notably the Southwest and the Pacific Coast. This map gives a dramatic illustration of the changing concentration of population between 1970 and 1990. The orange/brown states are those that lost population, while the purple and blue states are those that made very significant gains (30 percent or more). • *What was the impact of this population shift on the politics of the 1980s*?

Roberts began to attract huge national (and international) followings for their energetic revivalism.

Earlier in the century, many (although never all) evangelicals had been poor rural people, isolated from the mainstream of American culture. But the great capitalist expansion after World War II had lifted many of these people out of poverty and into the middle class, where they were more visible and more assertive. More than 70 million Americans now described themselves as "born-again" Christians—men and women who had established a "direct personal relationship with Jesus." Christian evangelicals owned their own newspapers, magazines, radio stations, and television networks. They operated their own schools and universities.

For some evangelicals, Christianity had formed the basis for a commitment to racial and economic justice and to world peace. For many other evangelicals, however, the message of the new religion was very different but no less political. In the 1970s, some Christian evangelicals became active on the political and cultural right. They were alarmed by what they considered the spread of immorality and disorder in American life. Many evangelical men and women feared the growth of feminism and the threat they believed it posed to the traditional family, and they resented the way in which government policies advanced the goals of the women's movement. Particularly alarming to them were Supreme Court decisions eliminating religious observance from schools and, later, the decision guaranteeing women the right to an abortion.

By the late 1970s, the "Christian right" had become a visible and increasingly powerful political force. Jerry Falwell, a fundamentalist minister in Virginia with a substantial television audience, launched a movement he called the Moral Majority, which attacked the rise of "secular humanism"—a term many conservative evangelicals used to describe the rejection of reli-

gion in American culture. The Pentecostal minister Pat RobertThe Moral Majority and the Christian Coalition

son began a political movement of his own and, in the 1990s, launched an organization known as the Christian Coalition.

Despite the historic antagonism between many evangelical Protestants and the Catholic Church, the growing politicization of religion in the 1970s and beyond brought some former rivals together. Catholics were the first major opponents of the Supreme Court's decision legalizing abortion in *Roe* v. *Wade*, but evangelical Protestants soon joined them in the battle against abortion. The rapidly growing Mormon Church, long isolated from both Catholics and traditional Protestants, also became increasingly engaged with the political struggles of other faiths. Mormons were instrumental in the 1982 defeat of the Equal Rights Amendment to the Constitution, which would have guaranteed women the same rights as men. And they too supported the evangelical agenda of opposition to abortion and homosexuality.

#### The New Right

Conservative Christians were an important part, but only a part, of what became known as the New Right-a diverse but powerful movement that enjoyed rapid growth in the 1970s and early 1980s. Its origins lay in part in the 1964 presidential election. After Republican senator Barry Goldwater's shattering defeat, Richard Viguerie, a remarkable conservative activist and organizer, took a list of 12,000 contributors to the Goldwater campaign and used it to begin a formidable conservative communications and fund-raising organization. Beginning in the 1970s, largely because of these and other organizational advances, conservatives usually found themselves better funded and organized than their opponents. Gradually these direct-mail operations helped create a much larger conservative infrastructure. By the late 1970s, there were right-wing think tanks, consulting firms, lobbyists, foundations, and schools.

Another factor in the revival of the right was the emergence of a credible right-wing leadership to replace the

#### Ronald Reagan

defeated conservative hero, Barry Goldwater. Chief among this new

generation of conservative leaders was Ronald Reagan, a well-known film actor turned political activist. As a young man, he had been a liberal and a fervent admirer of Franklin Roosevelt. But he moved decisively to the right after his second marriage, to Nancy Davis, a woman of strong conservative convictions, and after he became embroiled, as president of the Screen Actors Guild, in battles with communists in the union. In the early 1950s, Reagan became a corporate spokesman for General Electric and won a wide following on the right with his smooth, eloquent speeches in defense of individual freedom and private enterprise.

In 1964, Reagan delivered a memorable television speech on behalf of Goldwater. After Goldwater's defeat, he worked quickly to seize the leadership of the conservative wing of the Republican Party. In 1966, with the support of a group of wealthy conservatives, Reagan won the first of two terms as governor of California—which gave him a much more visible platform for promoting himself and his ideas.

The presidency of Gerald Ford also played an important role in the rise of the right, by destroying the fragile equilibrium that had enabled the right wing and the moderate wing of the Republican Party to coexist. Ford, probably without realizing it, touched on some of the right's rawest nerves. He appointed as vice president Nelson Rockefeller, the liberal Republican governor of New York and an heir to one of America's great fortunes; many conservatives had been demonizing Rockefeller and his family for more than twenty years. Ford proposed an amnesty program for draft resisters, embraced and even extended the Nixon-Kissinger policies of détente, presided over the fall of Vietnam, and agreed to cede the Panama Canal to Panama.When Reagan challenged Ford in the 1976 Republican primaries, the president survived, barely, only by dumping Nelson Rockefeller from the ticket and agreeing to a platform largely written by one of Reagan's allies.

#### The Tax Revolt

Equally important to the success of the New Right was a new and potent conservative issue: the tax revolt. It had its public beginnings in 1978, when Howard Jarvis, a conservative activist in California, launched the first success-

ful major citizens' tax revolt in California with Proposition 13, a

Proposition 13

referendum question on the state ballot rolling back property tax rates. Similar antitax movements soon began in other states and eventually spread to national politics.

The tax revolt helped the right solve one of its biggest problems. For more than thirty years after the New Deal, Republican conservatives had struggled to halt and even reverse the growth of the federal government. But attacking government programs directly, as right-wing politicians from Robert Taft to Barry Goldwater discovered, was not often the way to attract majority support. Every federal program had a political constituency. The biggest and most expensive programs—Social Security, Medicare, Medicaid, and others—had the broadest support.

In Proposition 13 and similar initiatives, members of

the right separated the issue of taxes from the issue of what

#### Attacking Taxes

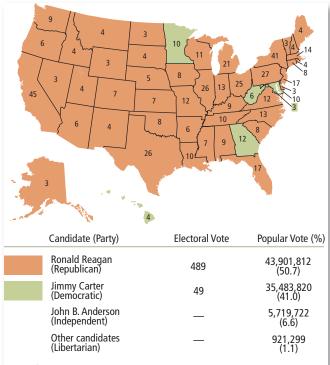
taxes supported. That helped them achieve some of the most controversial elements of the conservative agenda (eroding the government's ability to expand and launch new programs) without openly antagonizing the millions of voters who supported specific programs. Virtually no one liked to pay taxes, and as the economy weakened and the relative burden of paying taxes grew heavier, that resentment naturally rose. The right exploited that resentment and, in the process, greatly expanded its constituency.

# The Campaign of 1980

By the time of the crises in Iran and Afghanistan, Jimmy Carter was in desperate political trouble—his standing in popularity polls lower than that of any president in history. Senator Edward Kennedy, younger brother of John and Robert Kennedy, challenged him in the primaries. And while Carter managed to withstand the confrontation with Kennedy and win his party's nomination, he entered the fall campaign badly weakened.

The Republican Party, in the meantime, rallied enthusiastically behind Ronald Reagan. He linked his campaign to the spreading tax revolt (something to which he had paid relatively little attention in the past) by promising substantial tax cuts. Equally important, he championed a restoration of American "strength" and "pride" in the world. Reagan clearly benefited from the continuing popular frustration at Carter's inability to resolve the Iranian hostage crisis. In a larger sense, he benefited as well from the accumulated frustrations of more than a decade of domestic and international disappointments.

On election day 1980, the one-year anniversary of the seizure of the hostages in Iran, Reagan swept to victory, winning 51 percent of the vote to 41 percent for Jimmy Carter, and 7 percent for John Anderson—a moderate Republican congressman from Illinois who had mounted an independent campaign. Carter carried only five states and the District of Columbia, for a total of 49 electoral



52.6% of electorate voting

THE ELECTION OF 1980 Although Ronald Reagan won only slightly more than half of the popular vote in the 1980 presidential election, his electoral majority was overwhelming—a reflection to a large degree of the deep unpopularity of President Jimmy Carter in 1980. • What had made Carter so unpopular?

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votes to Reagan's 489. The Republican Party won control of the



Senate for the first time since 1952; and although the Democrats retained a modest majority in the House, the lower chamber too seemed firmly in the hands of conservatives.

On the day of Reagan's inauguration, the American hostages in Iran were released after their 444-day ordeal. The government of Iran, desperate for funds to support its floundering war against neighboring Iraq, had ordered the hostages freed in return for a release of billions in Iranian assets that the Carter administration had frozen in American banks.

#### **THE "REAGAN REVOLUTION"**

Ronald Reagan assumed the presidency in January 1981, promising a change in government more fundamental than any since the New Deal of fifty years before. Reagan had only moderate success in redefining public policy. But he succeeded brilliantly in making his own engaging personality the central fact of American politics in the 1980s.

#### The Reagan Coalition

Reagan owed his election to widespread disillusionment with Carter and to the crises and disappointments that many voters, perhaps unfairly, associated with him. But he owed it as well to the emergence of a powerful coalition of conservative groups. That coalition was not a single, cohesive movement. It was an uneasy and generally temporary alliance among several very different movements.

The Reagan coalition included a relatively small but highly influential group of wealthy Americans associated with the corporate and financial

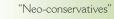
#### world. What united this group

## Corporate Elites

was a firm commitment to capitalism and to unfettered economic growth; a belief that the market offers the best solutions to most problems; a deep hostility to most (although not all) government interference in markets. Central to this group's agenda in the 1980s was opposition to what it considered the "redistributive" politics of the federal government (especially its highly progressive tax structure) and hostility to the rise of what it believed were "antibusiness" government regulations. Reagan courted these free-market conservatives carefully and effectively, and in the end it was their interests his administration most effectively served.

A second element of the Reagan coalition was even smaller, but also disproportionately influential: a group of intellectuals commonly known as

"neo-conservatives," who gave to



the right something it had not had in many years—a firm base among "opinion leaders." Many of these people had

once been liberals and, before that, socialists. But during the turmoil of the 1960s, they had become alarmed by what they considered the dangerous and destructive radicalism that was destabilizing American life, weakening the liberal ardor in the battle against communism. Neoconservatives were sympathetic to the complaints and demands of capitalists, but their principal concern was to reaffirm Western democratic, anticommunist values and commitments. Some neo-conservative intellectuals went on to become important figures in the battle against multiculturalism and "political correctness" within academia.

These two groups joined in an uneasy alliance in 1980 with the growing New Right. But several things differentiated the New Right from the corporate conservatives and the neo-conservatives. Perhaps the most important was the

#### Populist Conservatives

New Right's fundamental distrust of the "eastern establishment": a

suspicion of its motives and goals; a sense that it exercised a dangerous, secret power in American life; a fear of the hidden influence of such establishment institutions and people as the Council on Foreign Relations, the Trilateral Commission, Henry Kissinger, and the Rockefellers.

These populist conservatives expressed the kinds of concerns that outsiders, non-elites, have traditionally voiced in American society: an opposition to centralized power and influence, a fear of living in a world where distant, hostile forces are controlling society and threatening individual freedom and community autonomy. It was a testament to Ronald Reagan's political skills and personal charm that he was able to generate enthusiastic support from these populist conservatives while appealing to elite conservative groups whose concerns were in some ways antithetical to those of the New Right.

#### **Reagan in the White House**

Even many people who disagreed with Reagan's policies found themselves drawn to his attractive and carefully honed public image. Reagan was a master of television, a gifted public speaker, and—in public at least—rugged, fearless, and seemingly impervious to danger or misfortune. He turned seventy weeks after taking office and was the oldest man ever to serve as president. But through most of his presidency, he appeared to be vigorous, resilient, even youthful. He spent his many vacations on a California ranch, where he chopped wood and rode horses. When he was wounded in an assassination attempt in 1981, he joked with doctors on his way into surgery and appeared to bounce back from the ordeal with remarkable speed.

Reagan was not much involved in the day-to-day affairs of running the government; he surrounded himself with tough, energetic administrators who insulated him from many of the pressures of the office. At times, the president revealed a startling ignorance about the nature of his own policies or the actions of his subordinates. But Reagan did make active use of his office to generate support for his



**RONALD AND NANCY REAGAN** The president and the first lady greet guests at a White House social event. Nancy Reagan was most visible in her efforts to make the White House, and her husband's presidency, seem more glamorous than those of most recent administrations. But she also played an important, if quiet, policy role in the administration. (*Dirck Halstead/Time Life Pictures/Getty images*)

administration's programs by fusing his proposals with a highly nationalistic rhetoric.

#### "Supply-Side" Economics

Reagan's 1980 campaign for the presidency had promised to restore the economy to health by a bold experiment that

became known as "supply-side" economics or, to some, "Reagan-

"Reaganomics"

omics." Supply-side economics operated from the assumption that the woes of the American economy were in large part a result of excessive taxation, which left inadequate capital available to investors to stimulate growth. The solution, therefore, was to reduce taxes, with particularly generous benefits to corporations and wealthy individuals, in order to encourage new investments. Because a tax cut would reduce government revenues (at least at first), it would also be necessary to reduce government expenses. A cornerstone of the Reagan economic program, therefore, was a significant reduction of the federal budget.

In its first months in office, the new administration proposed \$40 billion in budget reductions and managed

to win congressional approval of almost all of them. In addition, the president proposed a bold three-year, 30 percent reduction on both individual and corporate tax rates. In the summer of 1981, Congress passed it too, after lowering the reductions to 25 percent. Reagan was successful because he had a disciplined Republican majority in the Senate, and because the Democratic majority in the House was weak and riddled with defectors.

Men and women whom Reagan appointed fanned out through the executive branch of government committed to reducing the role of government in American eco-

#### "Deregulation"

nomic life. Secretary of the Interior James Watt, previously a

major figure in the Sagebrush Rebellion, opened up public lands and water to development. The Environmental Protection Agency (before its directors were indicted for corruption) relaxed or entirely eliminated enforcement of major environmental laws and regulations. The Civil Rights Division of the Justice Department eased enforcement of civil rights laws. The Department of Transportation slowed implementation of new rules limiting automobile emissions and imposing new safety standards on cars and trucks. By getting government "out of the way," Reagan officials promised, they were ensuring economic revival.

By early 1982, the nation had sunk into a severe recession. In 1982 unemployment reached 11 percent, its highest level in over forty years. But the economy recovered relatively rapidly. By late 1983, unemployment had fallen to 8.2 percent, and it declined steadily for several years after that. The gross national product had grown 3.6 percent in a year, the largest one-year increase since the mid-1970s. Inflation had fallen below 5 percent. The economy continued to grow, and both inflation and unemployment remained low through most of the decade.

The recovery was a result of many things. The years of tight money policies by the Federal Reserve Board, painful and destructive as they may have been in many ways,

#### Sources of the Recovery

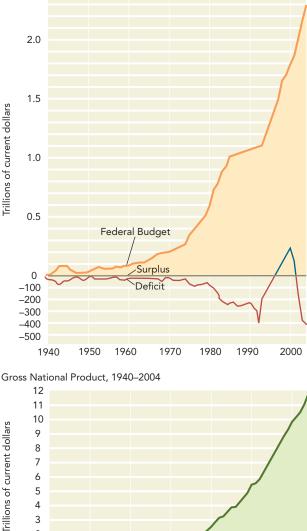
had helped lower inflation; perhaps equally important, the board

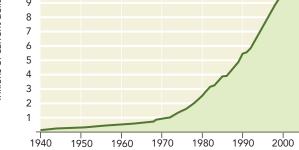
had lowered interest rates early in 1983 in response to the recession. A worldwide "energy glut" and the collapse of the OPEC cartel had produced at least a temporary end to the inflationary pressures of spiraling fuel costs. And large federal budget deficits were pumping billions of dollars into the flagging economy.As a result, consumer spending and business investment both increased. The stock market rose from its doldrums of the 1970s and began a sustained boom. In August 1982, the Dow Jones Industrial Average stood at 777. Five years later it had passed 2,000. Despite a frightening crash in the fall of 1987, the market continued to grow.

# The Fiscal Crisis

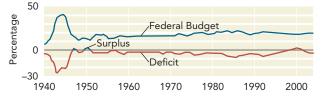
The economic revival did little at first to reduce federal budget deficits or to slow the growth in the national debt

Federal Budget and Surplus/Deficit, 1940-2004





Budget and Surplus/Deficit as Percentage of GNP, 1940-2004



FEDERAL BUDGET SURPLUS/DEFICIT, 1940-2004 These charts help illustrate why the pattern of federal deficits seemed so alarming to Americans in the 1980s, and also why those deficits proved much less damaging to the economy than many economists had predicted. The upper chart shows a dramatic increase in the federal budget from the mid-1960s on. It shows as well a corresponding, and also dramatic, increase in the size of federal deficits. Gross national product also increased dramatically, especially in the 1980s and 1990s, as the middle chart shows. When the federal budgets and deficits of these years are calculated not in absolute numbers, but as a percentage of GNP, they seem much more stable and much less alarming. • What factors contributed to the increasing deficits of the 1980s? How were those deficits eliminated in the 1990s?

(the debt the nation accumulates over time as a result of its annual deficits). By the mid-1980s, the popular sense of a growing fiscal crisis had become one of the central issues in American politics. Having entered office promis-

#### Soaring National Debt

ing a balanced budget within four years, Reagan presided over record

budget deficits and accumulated more debt in his eight years in office than the American government had accumulated in its entire previous history.

The enormous deficits had many causes, some of them stretching back over decades of American public policy

Welfare Benefits Cut decisions. In particular, the budget suffered from enormous increases in the costs of "entitlement" programs (especially Social Security and Medicare), a result of the aging of the population and dramatic increases in the cost of health care. But some of the causes of the deficit lay in the policies of the Reagan administration. The 1981 tax cuts, the largest in American history to that point, contributed to the deficit. The massive increase in military spending by the Reagan administration added much more to the federal budget than its cuts in domestic spending removed.

In the face of these deficits, the administration's answer to the fiscal crisis was further cuts in "discretionary" domestic spending, which included many programs aimed at the poorest (and politically weakest) Americans. There were reductions in funding for food stamps; a major cut in federal subsidies for low-income housing; strict new limitations on Medicare and Medicaid payments; reductions in student loans, school lunches, and other educational programs; and an end to many forms of federal assistance to the states and cities—which helped precipitate years of local fiscal crises as well.

By the late 1980s, many fiscal conservatives were calling for a constitutional amendment mandating a balanced budget—a provision the president himself claimed to support. (Congress came within a few votes of passing such an amendment in 1994 and again in 1996, but by then deficits had begun to decline and the momentum behind the amendment gradually faded.)



**POVERTY IN AMERICA** The American poverty rate declined sharply beginning in the 1950s and reached a historic low in the late 1970s. But the dramatic increase in income and wealth inequality that began in the mid-1970s gradually pushed the poverty rate upward again. By the mid-1980s, the poverty rate was approaching 15 percent, the highest in twenty years. In the image above, a group of children huddle against a barrier at an emergency center for homeless families in New York City in 1987. *(Ricbard Falco/Black Star/Stock Pboto)* 



**CONTRAS IN TRAINING** The Reagan administration's support for the Nicaraguan "contras," who opposed the leftist Sandinista regime, was the source of some of its greatest problems. Here, a small band of contras train in the Nicaraguan jungle. *(Piovano/SIPA Press)* 

#### **Reagan and the World**

Reagan encountered a similar combination of triumphs and difficulties in international affairs. Determined to restore American pride and prestige in the world, he argued that the United States should once again become active and assertive in opposing communism and in supporting friendly governments whatever their internal policies.

Relations with the Soviet Union, which had been steadily deteriorating in the last years of the Carter administration, grew still more chilly in the first years of the Reagan presidency. The president spoke harshly of the Soviet regime (which he once called the "evil empire"), accusing it of sponsoring world terrorism and declaring that any armaments negotiations must be linked to negotiations on Soviet behavior in other areas. Relations with the Russians deteriorated further after the government of Poland (under strong pressure from Moscow) imposed martial law on the country in the winter of 1981 to crush a growing challenge from an independent labor organization, Solidarity.

Although the president had long denounced the SALT II arms control treaty as unfavorable to the United States, he continued to honor its provisions. But Reagan remained skeptical about arms control. In fact, the president pro-

SDI

posed the most ambitious (and potentially most expensive) new

military program in many years: the Strategic Defense Initiative (SDI), widely known as "Star Wars." Reagan claimed that SDI, through the use of lasers and satellites, could provide an effective shield against incoming missiles and thus make nuclear war obsolete. The Soviet Union claimed that the new program would elevate the arms race to new and more dangerous levels (a complaint many domestic critics of SDI shared) and insisted that any arms control agreement begin with an American abandonment of SDI.

The escalation of Cold War tensions and the slowing of arms control initiatives helped produce an important popular movement in Europe and the United States calling for an end to nuclear weapons buildups. In America, the principal goal of the movement was a "nuclear freeze," an agreement between the two superpowers not to expand their atomic arsenals.

Rhetorically at least, the Reagan administration supported opponents of communism anywhere in the world,

whether or not they had any direct connection to the Soviet

#### Reagan Doctrine

Union. This new policy became known as the Reagan Doctrine, and it meant, above all, a new American activism in the Third World. In October 1982, the administration sent American soldiers and marines into the tiny Caribbean island of Grenada to oust an anti-American Marxist regime that showed signs of forging a relationship with Moscow. In Nicaragua, a pro-American dictatorship had fallen to the revolutionary "Sandinistas" in 1979; the new government had grown increasingly anti-American (and increasingly Marxist) throughout the early 1980s. The Reagan administration supported to the so-called contras, a guerrilla movement drawn from several antigovernment groups and trying to topple the Sandinista regime.

In other parts of the world, the administration's tough rhetoric sometimes obscured an instinctive restraint. In June 1982, the Israeli army launched an invasion of Lebanon in an effort to drive guerrillas of the Palestinian Liberation Organization from the country. An American peacekeeping force entered Beirut to supervise the evacuation of PLO forces from Lebanon. American marines then remained in the city to protect the fragile Lebanese government. Americans became the targets in 1983 of a terrorist bombing of a U.S. military barracks in Beirut that left 241 marines dead. Rather than become more deeply involved in the Lebanese struggle, Reagan withdrew American forces.

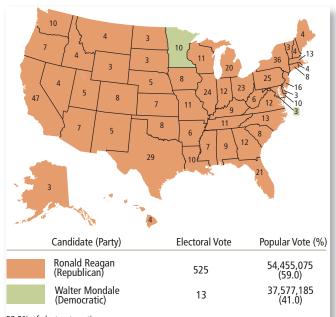
The tragedy in Lebanon was an example of the changing character of Third World struggles: an increasing reliance on terrorism by otherwise powerless groups to advance their political aims. A series of terrorist acts in the 1980s—attacks on airplanes, cruise ships, commercial

Terrorism and diplomatic posts; the seizing of American and other Western hostages—alarmed and frightened much of the Western

The Election of 1984

world.

Reagan approached the campaign of 1984 at the head of a united Republican Party firmly committed to his candidacy. The Democrats followed a more fractious course. Former vice president Walter Mondale, the early frontrunner, fought off challenges from Senator Gary Hart of Colorado and the magnetic Jesse Jackson, who had



<sup>53.3%</sup> of electorate voting

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established himself as the nation's most prominent spokesman for minorities and the poor. Mondale brought momentary excitement to the Democratic campaign by selecting a woman, Representative Geraldine Ferraro of New York, to be his running mate and the first female candidate to appear on a national ticket.

In the campaign that fall, Reagan scarcely took note of his opponents and spoke instead of what he claimed was the remarkable revival of American fortunes and spirits under his leadership. His campaign emphasized such phrases as "It's Morning in America" and "America Is Back." Reagan's victory in 1984 was decisive. He won approximately 59 percent of the vote and carried every state but Mondale's native Minnesota and the District of Columbia. But Reagan was much stronger than his party. Democrats gained a seat in the Senate and maintained only slightly reduced control of the House of Representatives.

# AMERICA AND THE WANING OF THE COLD WAR

Many factors contributed to the collapse of the Soviet empire. The long, stalemated war in Afghanistan proved at least as disastrous to the Soviet Union as the Vietnam War had been to America. The government in Moscow had failed to address a long-term economic decline in the Soviet republics and the Eastern-bloc nations. Restiveness with the heavy-handed policies of communist police states was growing throughout much of the Soviet empire. But the most visible factor at the time was the emergence of Mikhail Gorbachev, who succeeded to the leadership of the Soviet Union in 1985 and, to the surprise of almost everyone, very quickly became the most revolutionary figure in world politics in several decades.

#### The Fall of the Soviet Union

Gorbachev quickly transformed Soviet politics with two dramatic new initiatives. The first he called *glasnost* 

(openness): the dismantling of many of the repressive mecha-

Mikhail Gorbachev

nisms that had been conspicuous features of Soviet life for over half a century. The other policy Gorbachev called *perestroika* (reform): an effort to restructure the rigid and unproductive Soviet economy by introducing, among other things, such elements of capitalism as private ownership and the profit motive.

The severe economic problems at home evidently convinced Gorbachev that the Soviet Union could no longer sustain its extended commitments around the world.As early as 1987, he began reducing Soviet influence in Eastern Europe.And in 1989, in the space of a few months, every communist state in Europe—Poland, Hungary, Czechoslovakia, Bulgaria, Romania, East Germany, Yugoslavia, and Albania—either overthrew its government or forced it to transform itself into an essentially noncommunist (and in some cases, actively anticommunist) regime. The Communist Parties of Eastern Europe collapsed or redefined themselves into more conventional left-leaning social democratic parties.

The challenges to communism were not successful everywhere. In May 1989, students in China launched a mass movement calling for greater democratization. But in June, hard-line leaders seized control of the government and sent military forces to crush the uprising. The result was a bloody massacre on June 3, 1989, in Tianan-

#### Tiananmen Square

men Square in Beijing, in which a still-unknown number of demon-

strators died. The assault crushed the democracy movement and restored the hard-liners to power. It did not, however, stop China's efforts to modernize and even Westernize its economy.

But China was an exception to the worldwide movement toward democratization. Early in 1990, the government of South Africa, long an international pariah for its rigid enforcement of "apartheid" (a system designed to protect white supremacy), began a cautious retreat from its traditional policies. Among other things, it legalized the chief black party in the nation, the African National Congress (ANC), which had been banned for decades; and on February 11, 1990, it released from prison the leader of the ANC, and a revered hero to black South Africans, Nelson Mandela, who had been in jail for twentyseven years. Over the next several years, the South African government repealed its apartheid laws. And in 1994, after national elections in which all South Africans could participate, Nelson Mandela became the first black president of South Africa.

In 1991, communism began to collapse at the site of its birth: the Soviet Union itself.An unsuccessful coup by hardline Soviet leaders on August 19 precipitated a dramatic

unraveling of communist power. Within days, the coup itself collapsed in the face of resistance



from the public and, more important, crucial elements within the military. Mikhail Gorbachev returned to power, but it soon became evident that the legitimacy of both the Communist Party and the central Soviet government had been fatally injured. By the end of August, many of the republics of the Soviet Union had declared independence; the Soviet government was clearly powerless to stop the fragmentation. Gorbachev himself finally resigned as leader of the now virtually powerless Communist Party and Soviet government, and the Soviet Union ceased to exist.

#### **Reagan and Gorbachev**

Reagan was skeptical of Gorbachev at first, but he gradually became convinced that the Soviet leader was sincere in his desire for reform. At a summit meeting with Reagan in Reykjavik, Iceland, in 1986, Gorbachev proposed reducing the nuclear arsenals of both sides by 50 percent or more, although continuing disputes over Reagan's commitment to the SDI program prevented agreements. But in 1988, after Reagan and Gorbachev exchanged cordial visits to each other's capitals, the two superpowers signed a treaty eliminating American and Soviet intermediate-range nuclear forces (INF) from Europe—the most significant arms control agreement of the nuclear age. At about the same time, Gorbachev ended the Soviet Union's long and frustrating military involvement in Afghanistan.

**TIANANMEN SQUARE, 1989** The democracy movement in China accelerated rapidly in the spring of 1989 and was most visible through the vast crowds of students who began demonstrating in Tiananmen Square in Beijing. On June 3, the government sent troops into the square to clear out and arrest the demonstrating students. Hundreds, perhaps thousands, were killed in the violence that resulted from that decision. (*AP Images/Sadayuki Mikami*)



# The Fading of the Reagan Revolution

For a time, the dramatic changes around the world and Reagan's personal popularity deflected attention from a series of political scandals. There were revelations of illegality, corruption, and ethical lapses in the Environmental Protection Agency, the CIA, the Department of Defense, the Department of Labor, the Department of Justice, and the Department of Housing and Urban Development. A more serious scandal emerged within the savings and

Savings and Loan Crisis

loan industry, which the Reagan administration had helped dereg-

ulate in the early 1980s. By the end of the decade the industry was in chaos, and the government was forced to step in to prevent a complete collapse.

But the most politically damaging scandal of the Reagan years came to light in November 1986, when the White House conceded that it had sold weapons to the revolutionary government of Iran as part of a largely unsuccessful effort to secure the release of several Americans being held hostage by radical Islamic groups in the Middle East. Even more damaging was the revelation that some of the money from the arms deal with Iran had been covertly and illegally funneled into a fund to aid the contras in Nicaragua.

In the months that followed, aggressive reporting and a highly publicized series of congressional hearings exposed a widespread pattern of illegal covert activities orchestrated by the White House and dedicated to advancing the administration's foreign policy aims. The Iran-contra

Iran-Contra Scandal

scandal, as it became known, did serious damage to the Reagan

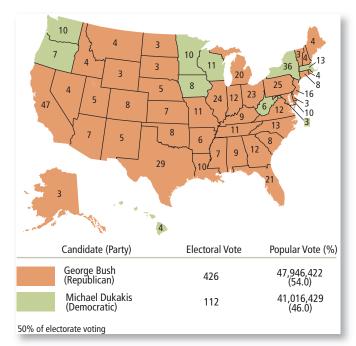
presidency—even though the investigations were never able decisively to tie the president himself to the most serious violations of the law.

# The Election of 1988

The fraying of the Reagan administration helped the Democrats regain control of the United States Senate in 1986 and fueled hopes in the party for a presidential victory in 1988. Even so, several of the most popular figures in the Democratic Party refused to run, and the nomination finally went to a previously little-known figure: Michael Dukakis, a three-term governor of Massachusetts. Dukakis was a dry, even dull campaigner. But Democrats were optimistic about their prospects in 1988, largely because their opponent, Vice President George Bush, had failed to spark public enthusiasm. He entered the last months of the campaign well behind Dukakis.

Beginning at the Republican Convention, however, Bush staged a remarkable turnaround by making his campaign a long, relentless attack on Dukakis, tying him to all the unpopular social and cultural stances Americans

Bush's Negative Campaign had come to identify with "liberals." Indeed, the Bush campaign was almost certainly the most



**THE ELECTION OF 1988** Democrats had high hopes going into the election of 1988, but Vice President George Bush won a decisive victory over Michael Dukakis, who did only slightly better than Walter Mondale had done four years earlier. • *What made it so difficult for a Democrat to challenge the Republicans in 1988 after eight years of a Republican administration?* 

negative of the twentieth century; and even more than Reagan's campaigns, it revealed the new political aggressiveness of the Republican right. It was very effective. Bush won a substantial victory in November: 54 percent of the popular vote to Dukakis's 46 percent, and 426 electoral votes to Dukakis's 112. But the Democrats retained secure majorities in both houses of Congress.

## The Bush Presidency

The Bush presidency was notable for the dramatic developments in international affairs with which it coincided and at times helped to advance, and for the absence of important initiatives or ideas on most domestic issues.

The broad popularity Bush enjoyed during his first three years in office was partly a result of his subdued, unthreatening public image. But it was primarily because of the wonder and excitement with which Americans viewed the dramatic events in the rest of the world. Bush moved cautiously at first in dealing with the changes in the Soviet Union. But like Reagan, he eventually cooperated with Gorbachev and reached a series of significant agreements with the Soviet Union in its waning years. In the three years after the INF agreement in 1988, the United States and the Soviet Union moved rapidly toward even more far-reaching arms reduction agreements.

On domestic issues, the Bush administration was less successful. His administration inherited a heavy burden of



THE BUSH CAMPAIGN, 1988 Vice President George Bush had never been an effective campaigner, but in 1988 he revived his candidacy with an unabashed attack on his opponent's values and patriotism. Bush himself missed no chance to surround himself with patriotic symbols, including this red, white, and blue hot-air balloon in Kentucky. (Time Life Pictures/Getty Images)

debt and a federal deficit that had been growing for nearly

Political Gridlock

a decade. The president's pledge to reduce the deficit and his 1988

campaign promise of "no new taxes" were in conflict with one another. Bush faced a Democratic Congress with an agenda very different from his own.

Despite this political stalemate, Congress and the White House managed on occasion to agree on significant measures. They cooperated in producing the plan to salvage the floundering savings and loan industry. In 1990, the president bowed to congressional pressure and agreed to a significant tax increase as part of a multiyear "budget package" designed to reduce the deficit-thus violating his own 1988 campaign pledge.

But the most serious domestic problem facing the Bush administration was one for which neither the president

1990 Recession

nor Congress had any answer: a recession that began late in 1990 and slowly increased its grip on the national economy in 1991 and 1992. Because of the enormous level of debt that corporations (and individuals) had accumulated in the 1980s, the recession caused an unusual number of bankruptcies. It also increased the fear and frustration among middle- and working-class Americans and put pressure on the government to address such problems as the rising cost of health care.

# The First Gulf War

The events of 1989-1991 had left the United States in the unanticipated position of being the only real superpower in the world. The Bush administration, therefore, had to consider what to do with America's formidable political and military power in a world in which the major justification for that power-the Soviet threatwas now gone.

The events of 1989-1991 suggested two possible answers, both of which had some effect on policy. One was that the United States would reduce its military strength and concentrate its energies and resources on pressing domestic problems. There was, in fact, movement in that direction both in Congress and within the administration. The other was that America would continue to use its power actively, not to fight communism but to defend its regional and economic interests. In 1989, that led the administration to order an invasion of Panama, which overthrew the unpopular military leader Manuel Noriega (under indictment in the United States for drug trafficking) and replaced him with an elected, pro-American regime.

On August 2, 1990, the armed forces of Iraq invaded and quickly overwhelmed their

#### Invasion of Kuwait

small, oil-rich neighbor, the emirate of Kuwait. Saddam Hussein, the militaristic leader of Iraq, soon announced that he was annexing Kuwait and set out to entrench his forces there. After some initial indecision, the Bush administration agreed to lead other nations in a campaign to force Iraq out of Kuwaitthrough the pressure of economic sanctions if possible, through military force if necessary. Within a few weeks, Bush had persuaded virtually every important government in the world, including the Soviet Union and almost all the Arab and Islamic states, to join in a United Nationssanctioned trade embargo of Iraq.

At the same time, the United States and its allies (including the British, French, Egyptians, and Saudis) began deploying a large military force along the border between Kuwait and Saudi Arabia, a force that ultimately reached 690,000 troops (425,000 of them American). On November 29, the United Nations, at the request of the United States, voted to authorize military action to expel Iraq from Kuwait if Iraq did not leave by January 15, 1991. On January 12, both houses of Congress voted to authorize the use of force against Iraq. And on January 16, American and allied air forces began a massive bombardment of



THE FIRST GULF WAR This photograph, taken in the Saudi desert, shows U.S. marines in Hummers lining up to enter Kuwait in the 1991 war that expelled Iraqi troops from Kuwait. The wind, dust, and heat of the desert made the Gulf War a far more difficult experience for American troops than the relatively brief fighting would suggest. (*Peter Turnley/Corbis*)

Iraqi forces in Kuwait and of military and industrial installations in Iraq itself.

The allied bombing continued for six weeks. On February 23, allied (primarily American) forces under the command of General Norman Schwarzkopf began a major ground offensive—not primarily against the heavily entrenched Iraqi forces along the Kuwait border, as expected, but to the north of them into Iraq itself. The allied armies encountered almost no resistance and suffered relatively few casualties (141 fatalities). Estimates of Iraqi deaths in the war were 100,000 or more. On February 28, Iraq announced its acceptance of allied terms for a cease-fire, and the brief Persian Gulf War came to an end.

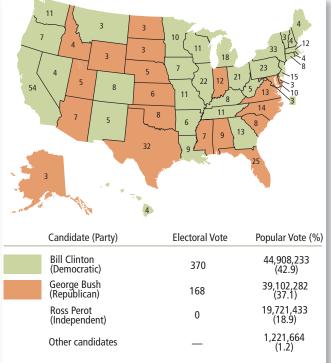
The quick and (for America) relatively painless victory over Iraq was highly popular in the United States. But the tyrannical regime of Saddam Hussein survived, weakened but still ruthless.

#### The Election of 1992

President Bush's popularity reached a record high in the immediate aftermath of the Gulf War. But the glow of that victory faded quickly as the recession worsened in late 1991, and as the administration declined to propose any policies for combating it.

Because the early maneuvering for the 1992 presidential election occurred when President Bush's popularity remained high, many leading Democrats declined to run. That gave Bill Clinton, the young five-term governor of

Bill Clinton Arkansas, an opportunity to emerge early as the front-runner, as a result of a skillful campaign that emphasized broad



55.2% of electorate voting

THE ELECTION OF 1992 In the 1992 election, for the first time since 1976, a Democrat captured the White House. And although the thirdparty candidacy of Ross Perot deprived Bill Clinton of an absolute majority, he nevertheless defeated George Bush by a decisive margin in both the popular and electoral vote. • *What factors had eroded President Bush's once-broad popularity by 1992? What explained the strong showing of Ross Perot?* 

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economic issues instead of the racial and cultural questions that had so divided the Democrats in the past.

Complicating the campaign was the emergence of Ross Perot, a blunt, forthright Texas billionaire who

Ross Perot

became an independent candidate by tapping popular resent-

ment of the federal bureaucracy and by promising tough, uncompromising leadership to deal with the fiscal crisis. At several moments in the spring, Perot led both Bush and Clinton in public opinion polls. In July, as he began to face hostile scrutiny from the media, he abruptly withdrew from the race. But early in October, he reentered and soon regained much (although never all) of his early support.

After a campaign in which the economy and the president's unpopularity were the principal issues, Clinton won a clear, but hardly overwhelming, victory over Bush and Perot. He received 43 percent of the vote in the three-way race, to the president's 38 percent and Perot's 19 percent (the best showing for a third-party or independent candidate since Theodore Roosevelt in 1912). Clinton won 370 electoral votes to Bush's 168; Perot won none. Democrats retained control of both houses of Congress.

# CONCLUSION

America in the late 1970s was, by the standards of its own recent history, an unusually troubled nation: numbed by the Watergate scandals, the fall of Vietnam, and perhaps most of all the nation's increasing economic difficulties. The unhappy presidencies of Gerald Ford and Jimmy Carter provided little relief from these accumulating problems and anxieties. Indeed, in the last year of the Carter presidency, the nation's prospects seemed particularly grim in light of severe economic problems, a traumatic seizure of American hostages in Iran, and a Soviet invasion of Afghanistan.

In the midst of these problems, American conservatives were slowly and steadily preparing for an impressive revival. A coalition of disparate but impassioned groups on the right—including a large movement known as the "New Right," with vaguely populist impulses—gained strength from the nation's troubles and from their own success in winning support for a broad-ranging revolt against taxes. Their efforts culminated in the election of 1980, when Ronald Reagan became the most conservative man in at least sixty years to be elected president of the United States.

Reagan's first term was a dramatic contrast to the troubled presidencies that had preceded it. He won substantial victories in Congress (cutting taxes, reducing spending on domestic programs, building up the military). Perhaps equally important, he made his own engaging personality one of the central political forces in national life. Easily reelected in 1984, he seemed to have solidified the conservative grip on national political life. In his second term, a series of scandals and misadventures—and the president's own declining energy—limited the administration's effectiveness. Nevertheless, Reagan's personal popularity remained high, and the economy continued to prosper factors that helped his vice president, George H. W. Bush, to succeed him in 1989.

Bush's presidency was defined not by domestic initiatives, as Reagan's had been—and the perception of its disengagement with the nation's growing economic problems contributed to Bush's defeat in 1992. But a colossal historic event overshadowed domestic concerns during much of Bush's term in office: the collapse of the Soviet Union and the fall of communist regimes all over Europe and in other parts of the world. The United States was to some degree a dazzled observer of this process. But the end of the Cold War also propelled the United States into the possession of unchallenged global preeminence and drew it increasingly into the role of international arbiter and peacemaker. The Gulf War of 1991 was only the most dramatic example of the new global role the United States would now increasingly assume.

#### INTERACTIVE LEARNING

The *Primary Source Investigator CD-ROM* offers the following materials related to this chapter:

- Interactive maps: U.S. Elections (M7) and Middle East (M28).
- Documents, images, and maps related to politics and society in the late 1970s through the early 1990s, the Reagan presidency, and the collapse of the Soviet Union. Some highlights include Jimmy Carter's speech regarding the "crisis of confidence" of the nation; the text of Ronald Reagan's speech referring to the Soviet

Union as an "evil empire"; an excerpt from the transcripts of the Senate Judiciary Committee hearings into confirming Clarence Thomas to serve on the Supreme Court; and excerpts from President George H. W. Bush's diary during the Gulf War in 1991.

#### Online Learning Center (www.mhhe.com/brinkley13e)

For quizzes, Internet resources, references to additional books and films, and more, consult this book's Online Learning Center.

#### FOR FURTHER REFERENCE

Bruce J. Schulman, *The Seventies: The Great Shift in American Culture, Society, and Politics* (2001) is a good general history of the period. James M. Cannon, *Time and Chance: Gerald Ford's Appointment with History* (1994) is a journalist's account of the Ford presidency, and Yanek Mieczkowski, *Gerald Ford and the Challenges of the 1970s* (2005) is an excellent scholarly study. Gaddis Smith, *Morality, Reason, and Power* (1986) examines the Carter foreign policy. Steven Gillon, *The Democrats' Dilemma: Walter Mondale and the Liberal Legacy* (1992) is a good discussion of the travails of the Democrats in the 1970s. Jerome L. Himmelstein, *To the Right: The Transformation of American Conservatism* (1990) and Godfrey Hodgson, *The World Turned Upside Down: A History of the Conservative Ascendancy in America* (1996) are good introductions to the

subject. Kevin Kruse, White Flight: Atlanta and the Making of Modern Conservatism (2005) is a valuable study. Lou Cannon, President Reagan: The Role of a Lifetime (1990) and Haynes Johnson, Sleepwalking Through History (1991) are accounts by journalists who covered the Reagan White House. Gil Troy, Morning in America: How Ronald Reagan Invented the 1980s (2005) is an excellent scholarly study. John Lewis Gaddis, The United States and the End of the Cold War (1992) and We Now Know: Rethinking Cold War History (1997) examine the transformation of the world order after 1989. Richard Rhodes, Arsenals of Folly (2007) is a passionate account of the nuclear arms race. Herbert Parmet, George Bush: The Life of a Lone Star Yankee (1997) is the first major scholarly study of the 41st president.