

CHAPTER 26

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The Triumph of Conservatism, 1969–1988

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Ronald Reagan addressing the Republican national convention of 1980, which nominated him for president. His election that fall brought modern conservatism to the White House and launched the Reagan Revolution.



FOCUS QUESTIONS

- What were the major policies of the Nixon administration on social and economic issues?
- How did Vietnam and the Watergate scandal affect popular trust in the government?
- In what ways did the opportunities of most Americans diminish in the 1970s?
- What were the roots of the rise of conservatism in the 1970s?
- How did the Reagan presidency affect Americans both at home and abroad?

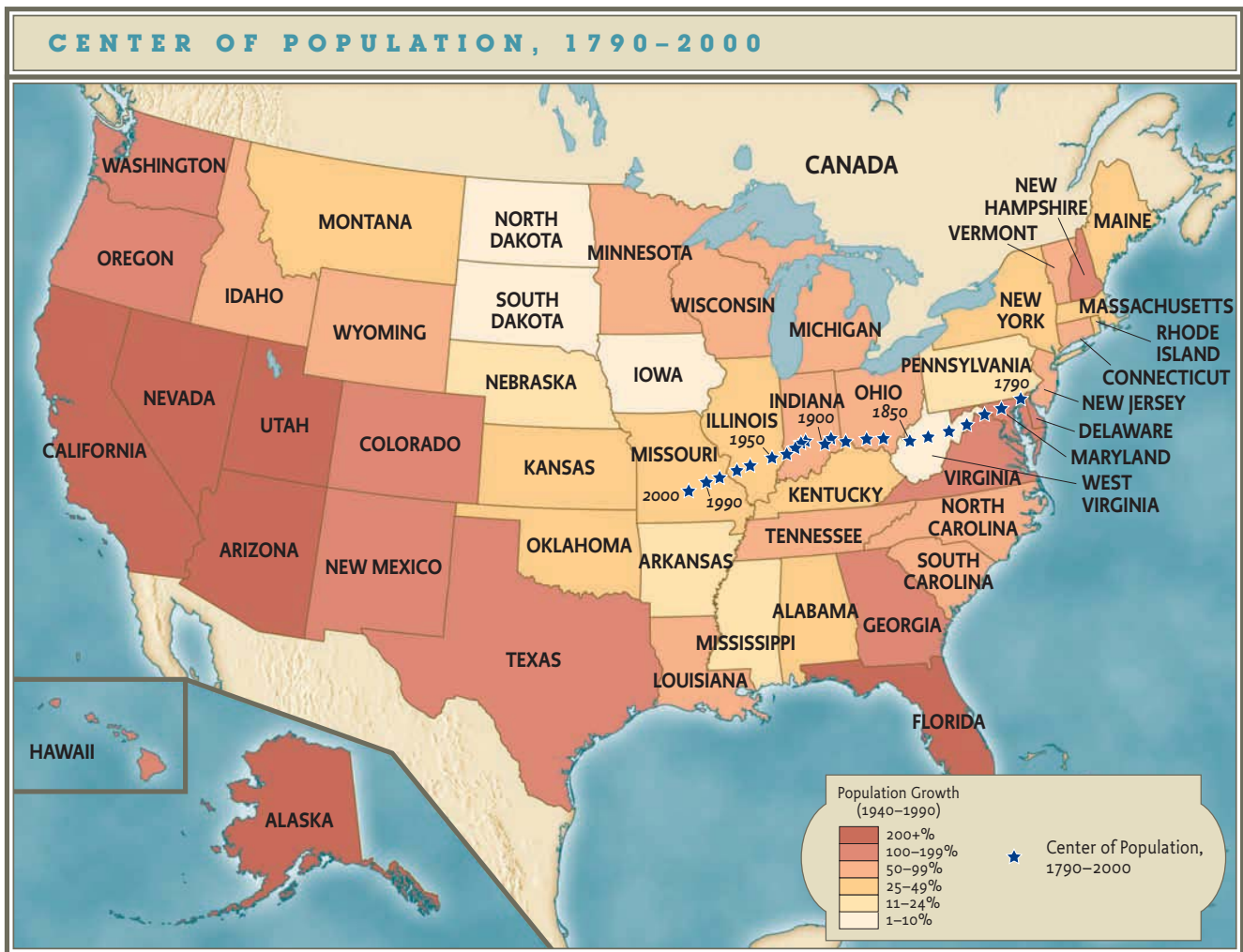
Beginning with the dramatic 1960 contest between John F. Kennedy and Richard M. Nixon, the journalist Theodore White published best-selling accounts of four successive races for the presidency. Covering the 1964 election, White attended civil rights demonstrations and rallies for Barry Goldwater, the Republican nominee. White noticed something that struck him as odd: “The dominant word of these two groups, which loathe each other, is ‘freedom.’ Both demand either Freedom Now or Freedom for All. The word has such emotive power behind it that . . . a reporter is instantly denounced for questioning what they mean by the word ‘freedom.’” The United States, White concluded, sorely needed “a commonly agreed-on concept of freedom.”

White had observed firsthand the struggle over the meaning of freedom set in motion by the 1960s, as well as the revival of conservatism in the midst of an era known for radicalism. Goldwater’s campaign helped to crystalize and popularize ideas that would remain the bedrock of conservatism for years to come. To intense anticommunism, Goldwater added a critique of the welfare state for destroying “the dignity of the individual.” He demanded a reduction in taxes and governmental regulations. Goldwater showed that with liberals in control in Washington, conservatives could claim for themselves the tradition of antigovernment populism, thus broadening their electoral base and countering their image as upper-crust elitists.

The second half of the 1960s and the 1970s would witness pivotal developments that reshaped American politics—the breakup of the political coalition forged by Franklin D. Roosevelt; an economic crisis that traditional liberal remedies seemed unable to solve; a shift of population and economic resources to conservative strongholds in the Sunbelt of the South and West; the growth of an activist, conservative Christianity increasingly aligned with the Republican Party; and a series of setbacks for the United States overseas. Together, they led to growing popularity for conservatives’ ideas, including their understanding of freedom.

PRESIDENT NIXON

From the vantage point of the early twenty-first century, it is difficult to recall how marginal conservatism seemed at the end of World War II. Associated in many minds with conspiracy theories, anti-Semitism, and preference for social hierarchy over democracy and equality, conservatism seemed a relic of a discredited past. “In the United States at this time,” wrote the social critic Lionel Trilling in 1949, “liberalism is not only the dominant but even the sole intellectual tradition. For it is the plain fact that nowadays



there are no conservative or reactionary ideas in general circulation.” When conservative ideas did begin to spread, liberals like Trilling explained them as a rejection of the modern world by the alienated or psychologically disturbed.

Nonetheless, as noted in the previous two chapters, the 1950s and 1960s witnessed a conservative rebirth. And in 1968, a “backlash” among formerly Democratic voters against both black assertiveness and antiwar demonstrations helped to propel Richard Nixon into the White House. But conservatives found Nixon no more to their liking than his predecessors. Nixon echoed conservative language, especially in his condemnation of student protesters and his calls for law and order, but in office he expanded the welfare state and moved to improve American relations with the Soviet Union and China. During his presidency, the social changes set in motion by the 1960s—seen by conservatives as forces of moral decay—continued apace.

NIXON’S DOMESTIC POLICIES

Having won the presidency by a very narrow margin, Nixon moved toward the political center on many issues. A shrewd politician, he worked to

solidify his support among Republicans while reaching out to disaffected elements of the Democratic coalition. It is difficult to characterize Nixon's domestic agenda according to the traditional categories of liberal and conservative. Mostly interested in foreign policy, he had no desire to battle Congress, still under Democratic control, on domestic issues. Just as Eisenhower had helped to institutionalize the New Deal, Nixon accepted and even expanded many elements of the Great Society.

Conservatives applauded Nixon's New Federalism, which offered federal "block grants" to the states to spend as they saw fit, rather than for specific purposes dictated by Washington. On the other hand, the Nixon administration created a host of new federal agencies. The Environmental Protection Agency oversaw programs to combat water and air pollution, cleaned up hazardous wastes, and required "environmental impact" statements from any project that received federal funding. The Occupational Safety and Health Administration sent inspectors into the nation's workplaces. The National Transportation Safety Board instructed automobile makers on how to make their cars safer.

Nixon spent lavishly on social services and environmental initiatives. He abolished the Office of Economic Opportunity, which had coordinated Johnson's War on Poverty. But he signed congressional measures that expanded the food stamp program and indexed Social Security benefits to inflation—meaning that they would rise automatically as the cost of living increased. The Endangered Species Act prohibited spending federal funds on any project that might extinguish an animal species. The Clean Air Act set air quality standards for carbon monoxide and other chemicals released by cars and factories and led to a dramatic decline in air pollution.

NIXON AND WELFARE

Perhaps Nixon's most startling initiative was his proposal for a Family Assistance Plan, or "negative income tax," that would replace Aid to Families with Dependent Children (AFDC) by having the federal government guarantee a minimum income for all Americans. Universally known as "welfare," AFDC provided assistance, often quite limited, to poor families who met local eligibility requirements. Originally a New Deal program that mainly served the white poor, welfare had come to be associated with blacks, who by 1970 accounted for nearly half the recipients. The AFDC rolls expanded rapidly during the 1960s, partly because the federal government relaxed eligibility standards. This arose from an increase in births to unmarried women, which produced a sharp rise in the number of poor female-headed households, and from an aggressive campaign by welfare rights groups to encourage people to apply for benefits. Conservative politicians now attacked recipients of welfare as people who preferred to live at the expense of honest taxpayers rather than by working.

A striking example of Nixon's willingness to break the political mold, his plan to replace welfare with a guaranteed annual income failed to win approval by Congress. It proved too radical for conservatives, who saw it as a reward for laziness, while liberals denounced the proposed level of \$1,600 per year for a needy family of four as inadequate.

NIXON AND RACE

Nixon's racial policies offer a similarly mixed picture. To consolidate support in the white South, he nominated to the Supreme Court Clement Haynsworth and G. Harold Carswell, conservative southern jurists with records of support for segregation. Both were rejected by the Senate. On the other hand, because the courts finally lost patience with southern delaying tactics, extensive racial integration at last came to public schools in the South. In Nixon's first three years in office, the proportion of southern black students attending integrated schools rose from 32 percent to 77 percent.

For a time, the Nixon administration also pursued "affirmative action" programs to upgrade minority employment. Under Johnson, the Department of Labor had required contractors receiving federal money to establish "specific goals and timetables"—that is, to establish what number of minorities should be hired, and by when—to implement equal employment opportunity. Soon after taking office, the Nixon administration expanded this initiative with the Philadelphia Plan, which required that construction contractors on federal projects hire specific numbers of minority workers. Secretary of Labor George Shultz, who initiated the idea, sincerely hoped to open more jobs for black workers. Nixon seems to have viewed the plan mainly as a way of fighting inflation by weakening the power of the building trades unions. Their control over the labor market, he believed, pushed wages to unreasonably high levels, raising the cost of construction. And, he calculated, if the plan caused dissension between blacks and labor unions—two pillars of the Democratic coalition—Republicans could only benefit.

Trade unions of skilled workers like plumbers and electrical workers, which had virtually no black members, strongly opposed the Philadelphia Plan. After a widely publicized incident in May 1970, when a group of construction workers assaulted antiwar demonstrators in New York City, Nixon suddenly decided that he might be able to woo blue-collar workers in preparation for his 1972 reelection campaign. He soon attacked the very affirmative action goals his administration had initiated. He abandoned the Philadelphia Plan in favor of an ineffective one that stressed voluntary local efforts toward minority hiring instead of federal requirements.

THE BURGER COURT

When Earl Warren retired as chief justice in 1969, Nixon appointed Warren Burger, a federal court-of-appeals judge, to succeed him. An outspoken critic of the "judicial activism" of the Warren Court—its willingness to expand old rights and create new ones by overturning acts of Congress and the states—Burger was expected to lead the justices in a conservative direction. But like Nixon, he surprised many of his supporters. While the pace of change slowed, the Burger Court, at least initially, consolidated and expanded many of the judicial innovations of the 1960s.

In 1971, in *Swann v. Charlotte-Mecklenburg Board of Education*, which arose from North Carolina, the justices unanimously approved a lower court's plan that required the extensive transportation of students to achieve



Richard Nixon (on the right) and former Alabama governor George Wallace at an "Honor America" celebration in February 1974. Nixon's "southern strategy" sought to woo Wallace's supporters into the Republican Party.

school integration. The decision led to hundreds of cases in which judges throughout the country ordered the use of busing as a tool to achieve integration. With many white parents determined to keep their children in neighborhood schools and others willing to move to the suburbs or enroll them in private academies to avoid integration, busing became a lightning rod for protests. One of the most bitter fights took place in Boston in the mid-1970s. Residents of the tightly knit Irish-American community of South Boston demonstrated vociferously and sometimes violently against a busing plan decreed by a local judge.

The Supreme Court soon abandoned the idea of overturning local control of schools, or moving students great distances to achieve integration. In 1973, it rebuffed a group of Texas Latinos who sued to overturn the use of property taxes to finance public education. Because of the great disparity in wealth between districts, spending on predominantly Mexican-American schools stood far below that for white ones. But in *San Antonio Independent School District v. Rodriguez*, a 5-4 Court majority ruled that the Constitution did not require equality of school funding. In the following year, in *Milliken v. Bradley* (1974), the justices overturned a lower court order that required Detroit's predominantly white suburbs to enter into a regional desegregation plan with the city's heavily minority school system. By absolving suburban districts of responsibility for assisting in integrating urban schools, the decision guaranteed that housing segregation would be mirrored in public education. Indeed, by the 1990s, public schools in the North were considerably more segregated than those in the South.

THE COURT AND AFFIRMATIVE ACTION

Efforts to promote greater employment opportunities for minorities also spawned politically divisive legal issues. Many whites came to view affirmative action programs as a form of "reverse discrimination," claiming that, in violation of the Fourteenth Amendment's equal protection clause, they granted minorities special advantages over whites. Even as affirmative action programs quickly spread from blacks to encompass women, Latinos, Asian-Americans, and Native Americans, conservatives demanded that the Supreme Court invalidate all such policies. The justices refused, but they found it difficult to devise a consistent approach to this politically charged issue.

In *Griggs v. Duke Power Company* (1971), the Court ruled that even racially neutral job requirements such as a written examination were illegal if they operated to exclude a disproportionate number of non-white applicants and were not directly related to job performance. Later in the decade, in *United Steelworkers of America v. Weber* (1979), it upheld a program devised by the Kaiser Aluminum & Chemical Corporation and its union that set quotas for training and hiring non-white workers in skilled jobs. Since this private, voluntary agreement did not involve government action, the Court ruled, it did not violate the Fourteenth Amendment's ban on state policies that discriminated among citizens.

The justices, however, proved increasingly hostile to governmental affirmative action policies. In *Regents of the University of California v. Bakke* (1978), the Court overturned an admissions program of the University of California at Davis, a public university, which set aside 16 of 100 places in the

entering medical school class for minority students. Justice Lewis F. Powell, a Nixon appointee who cast the deciding vote in the 5-4 decision, rejected the idea of fixed affirmative action quotas. He added, however, that race could be used as one factor among many in admissions decisions, so affirmative action continued at most colleges and universities. During the 1990s, as courts in different parts of the country interpreted *Bakke* in different ways, the legal status of affirmative action would remain ambiguous. In 2003, a 5-4 majority reaffirmed the *Bakke* principle that institutions of higher learning may use race as a consideration in admissions decisions.

THE CONTINUING SEXUAL REVOLUTION

To the alarm of conservatives, during the 1970s the sexual revolution passed from the counterculture into the social mainstream. The number of Americans who told public-opinion polls that premarital sex was wrong plummeted. The number of divorces soared, reaching more than 1 million in 1975, double the number ten years earlier. The age at which both men and women married rose dramatically. The figure for divorces in 1975 exceeded the number of first-time marriages. A popular 1978 film, *An Unmarried Woman*, portrayed the dissolution of a marriage as a triumph for the wife, who discovered her potential for individual growth only after being abandoned by her husband. As a result of women’s changing aspirations and the availability of birth control and legal abortions, the American birthrate declined dramatically. By 1976, the average woman was bearing 1.7 children during her lifetime, less than half the figure of 1957 and below the level at which a population reproduces itself. Like all averages, these figures conceal significant variations. Poorer Americans, especially in the South and rural heartland, had more children than educated urbanites. A 1971 survey of the last five graduating classes at Bryn Mawr, an elite women’s college, reported the birth of more than seventy children. A similar survey covering the classes of 1971 through 1975 found that only three had been born.

During the Nixon years, women made inroads into areas from which they had long been excluded. In 1972, Congress approved Title IX, which banned gender discrimination in higher education, and the Equal Credit Opportunity Act, which required that married women be given access to credit in their own name. The giant corporation American Telephone and Telegraph (AT&T) entered into a landmark agreement in which it agreed to pay millions of dollars to workers who had suffered gender discrimination and to upgrade employment opportunities for women. The number of women at work continued its upward climb. In 1960, only 20 percent of women with young children had been in the workforce. The figure reached 40 percent in 1980, and 55 percent in 1990. Working women were motivated by varied aims. Some sought careers in professions and skilled jobs previously open only to men. Others, spurred by the need to bolster family income as the economy faltered, flooded into the

Table 26.1 RATE OF DIVORCE: DIVORCES OF EXISTING MARRIAGES PER 1,000 NEW MARRIAGES, 1950–1980

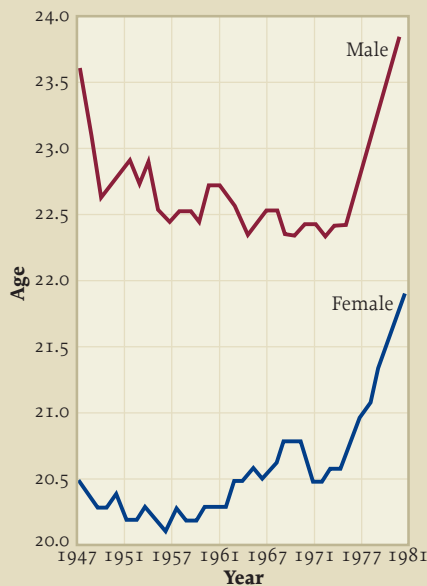
Year	Divorces
1950	385
1955	377
1960	393
1965	479
1970	708
1975	1,036
1980	1,189

One result of the sexual revolution was a sharp rise in the age at which Americans chose to marry, and an increase in the number of divorces.

Daryl Koehn, of Kansas, celebrates in 1977 on learning that she has been chosen as one of the first group of women allowed to study at Oxford University as a Rhodes Scholar. Since their establishment in 1903, the scholarships had been limited to men.



Figure 26.1 MEDIAN AGE AT FIRST MARRIAGE, 1947–1981



traditional, low-wage, “pink-collar” sector, working as cashiers, secretaries, and telephone operators.

In addition, the gay and lesbian movement, born at the end of the 1960s, expanded greatly during the 1970s and became a major concern of the right. In 1969, there had been about fifty local gay rights groups in the United States; ten years later, their numbers reached into the thousands. They began to elect local officials, persuaded many states to decriminalize homosexual relations, and succeeded in convincing cities with large gay populations to pass antidiscrimination laws. They actively encouraged gay men and lesbians to “come out of the closet”—that is, to reveal their sexual orientation. During the 1970s, the American Psychiatric Association removed homosexuality from its list of mental diseases.

As pre–World War I bohemians saw many of their ideas absorbed into the mass culture of the 1920s, values and styles of the 1960s became part of 1970s America, dubbed by the writer Tom Wolfe the “Me Decade.” When asked in a Gallup poll to rate a series of ideas, respondents gave the highest ranking not to “following God’s will,” “high income,” or “a sense of accomplishment,” but to “freedom to choose.” The demand of student protesters that individuals be empowered to determine their own “lifestyle” emerged in depoliticized form in Americans’ obsession with self-improvement through fitness programs, health food diets, and new forms of psychological therapy.

NIXON AND DÉTENTE

Just as domestic policies and social trends under Nixon disappointed conservatives, they viewed his foreign policy as dangerously “soft” on communism. To be sure, in the Third World, Nixon and Henry Kissinger, his national security adviser and secretary of state, continued their predecessors’ policy of attempting to undermine governments deemed dangerous to American strategic or economic interests. Nixon funneled arms to dictatorial pro-American regimes in Iran, the Philippines, and South Africa. After Chile in 1970 elected socialist Salvador Allende as president, the CIA worked with his domestic opponents to destabilize the regime. On September 11, 1973, Allende was overthrown and killed in a military coup, which installed a bloody dictatorship under General Augusto Pinochet. Thousands of Allende backers, including a few Americans then in Chile, were tortured and murdered, and many others fled the country. The Nixon administration knew of the coup plans in advance but failed to warn Allende, and it continued to back Pinochet despite his brutal policies. Democracy did not return to Chile until the end of the 1980s.

In his relations with the major communist powers, however, Nixon fundamentally altered Cold War policies. Nixon had launched his political career as a fierce and, critics charged, unscrupulous anticommunist. But in the language of foreign relations, he and Kissinger were “realists.” They had more interest in power than ideology and preferred international stability to relentless conflict. Nixon also hoped that if relations with the Soviet Union improved, the Russians would influence North Vietnam to agree to an end to the Vietnam War on terms acceptable to the United States.

Nixon realized that far from being part of a unified communist bloc, China had its own interests, different from those of the Soviet Union, and was destined to play a major role on the world stage. The policy of refusing to

recognize China's communist government had reached a dead end. In 1971, Kissinger flew secretly to China, paving the way for Nixon's own astonishing public visit of February 1972. The trip led to the Beijing government's taking up China's seat at the United Nations, previously occupied by the exiled regime on Taiwan. Full diplomatic relations between the United States and the People's Republic of China were not established until 1979. But Nixon's visit sparked a dramatic increase in trade between the two countries.

Three months after his trip to Beijing, Nixon became the first American president to visit the Soviet Union, where he engaged in intense negotiations with his Soviet counterpart, Leonid Brezhnev. Out of this "summit" meeting came agreements for increased trade and two landmark arms-control treaties. SALT (named for the Strategic Arms Limitation Talks under way since 1969) froze each country's arsenal of intercontinental missiles capable of carrying nuclear warheads. The Anti-Ballistic Missile Treaty banned the development of systems designed to intercept incoming missiles, so that neither side would be tempted to attack the other without fearing devastating retaliation. Nixon and Brezhnev proclaimed a new era of "peaceful coexistence," in which "détente" (cooperation) would replace the hostility of the Cold War.



Richard Nixon at a banquet celebrating his visit to China in February 1972. To his right is Premier Chou En-lai.

VIETNAM AND WATERGATE

NIXON AND VIETNAM

Despite Nixon's foreign policy triumphs, one issue would not go away—Vietnam. Nixon ran for president in 1968 declaring that he had a "secret plan" to end the war. On taking office, he announced a new policy, Vietnamization. Under this plan, American troops would gradually be withdrawn while South Vietnamese soldiers, backed by continued American bombing, did more and more of the fighting. But Vietnamization neither limited the war nor ended the antiwar movement. Hoping to cut North Vietnamese supply lines, Nixon in 1970 ordered American troops into neutral Cambodia. The invasion did not achieve its military goals, but it destabilized the Cambodian government and set in motion a chain of events that eventually brought to power the Khmer Rouge. Before being ousted by a Vietnamese invasion in 1979, this local communist movement attempted to force virtually all Cambodians into rural communes and committed widespread massacres in that unfortunate country.

As the war escalated, protests again spread on college campuses. In the wake of the killing of four antiwar protesters at Kent State University by the Ohio National Guard and two by police at Jackson State University in



A distraught young woman kneels beside one of the four Kent State University students killed by members of the Ohio National Guard at an antiwar demonstration in 1970.

Mississippi, the student movement reached its high-water mark. In the spring of 1970, more than 350 colleges and universities experienced strikes, and troops occupied 21 campuses. The protests at Kent State, a public university with a largely working-class student body, and Jackson State, a black institution, demonstrated how antiwar sentiment had spread far beyond elite campuses like Berkeley and Columbia.

At the same time, troop morale in Vietnam plummeted. Although all young men were subject to the draft, for most of the war college students received exemptions. As a result, the army was predominantly composed of working-class whites and members of racial minorities. Unlike in previous wars, blacks complained not about exclusion from the army but about the high number of black soldiers among the casualties.

In 1965 and 1966, blacks accounted for more than 20 percent of American casualties, double their proportion in the army as a whole. After protests from black leaders, President Johnson ordered the number of black soldiers in combat units reduced. For the war as a whole, blacks made up 14 percent of deaths among enlisted men.

The same social changes sweeping the home front were evident among troops in Vietnam. Soldiers experimented with drugs, openly wore peace and black power symbols, refused orders, and even assaulted unpopular officers. In 1971, thousands deserted the army, while at home Vietnam veterans held antiwar demonstrations. The decline of discipline within the army convinced increasing numbers of high-ranking officers that the United States must extricate itself from Vietnam.

Public support for the war was rapidly waning. In 1969, the *New York Times* published details of the My Lai massacre of 1968, in which a company



In 1971, in one of the most dramatic demonstrations of the entire era, hundreds of veterans deposited on the steps of the Capitol medals they had received while fighting in Vietnam.

of American troops had killed some 350 South Vietnamese civilians. After a military investigation, one soldier, Lieutenant William Calley, was found guilty of directing the atrocity. (The courts released him from prison in 1974.) In 1971, the *Times* began publishing the Pentagon Papers, a classified report prepared by the Defense Department that traced American involvement in Vietnam back to World War II and revealed how successive presidents had misled the American people about it. In a landmark freedom-of-the-press decision, the Supreme Court rejected Nixon's request for an injunction to halt publication. In 1973, Congress passed the War Powers Act. The most vigorous assertion of congressional control over foreign policy in the nation's history, it required the president to seek congressional approval for the commitment of American troops overseas.

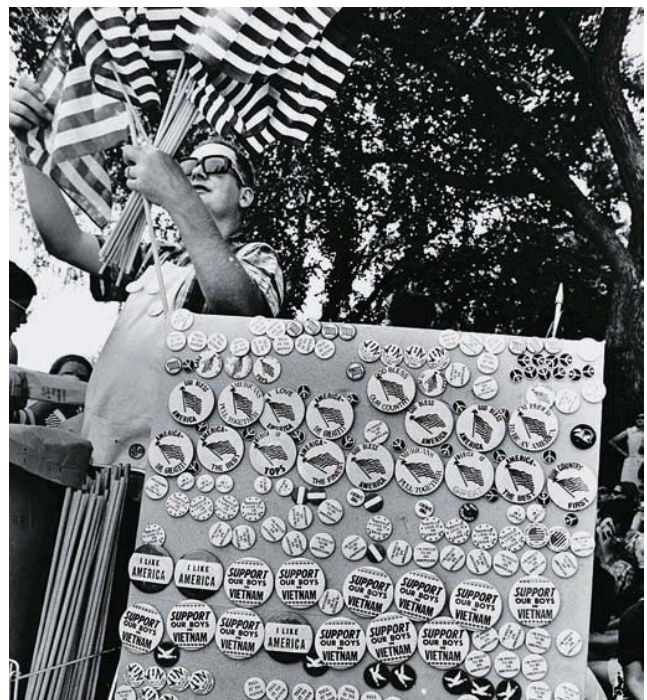
THE END OF THE VIETNAM WAR

Early in 1973, Nixon achieved what had eluded his predecessors—a negotiated settlement in Vietnam. The Paris peace agreement, the result of five years of talks, made possible the final withdrawal of American troops. The compromise left in place the government of South Vietnam, but it also left North Vietnamese and Viet Cong soldiers in control of parts of the South. American bombing ceased, and the military draft came to an end. Henceforth, volunteers would make up the armed forces. But the agreement did not solve the basic issue of the war—whether Vietnam would be one country or two. That question was answered in the spring of 1975, when the North Vietnamese launched a final military offensive. The government of South Vietnam collapsed; the United States did not intervene except to evacuate the American embassy, and Vietnam was reunified under communist rule.

The only war the United States has ever lost, Vietnam was a military, political, and social disaster. By the time it ended, 58,000 Americans had been killed, along with 3 million to 4 million Vietnamese. The war cost the United States an estimated \$100 billion. But the nonmonetary price was far higher. Vietnam undermined Americans' confidence in their own institutions and challenged long-standing beliefs about the country and its purposes.

Two decades after the war ended, former secretary of defense Robert McNamara published a memoir in which he admitted that the policy he had helped to shape had been “terribly wrong.” Ignorance of the history and culture of Vietnam and a misguided belief that every communist movement in the world was a puppet of Moscow, he wrote, had led the country into a war that he now profoundly regretted. The *New York Times* rejected McNamara's apology. The “ghosts of those un-lived lives,” the young men sent to their death “for no purpose,” it declared, could not so easily be wished away. But the *Times* itself, like the rest of the political establishment, had supported the war for most of its duration. For far too long, they had accepted its basic premise—that the United States had the right to decide the fate of a faraway people about whom it knew almost nothing.

Buttons and flags for sale at a rally in the early 1970s illustrate the linkage of support for the Vietnam War and strong feelings of patriotism, building blocks of the new conservatism.



WATERGATE

By the time the war ended, Richard Nixon was no longer president. His domestic policies and foreign policy successes had contributed greatly to his reelection in 1972. He won a landslide victory over liberal Democrat George McGovern, receiving 60 percent of the popular vote. Nixon made deep inroads into former Democratic strongholds in the South and among working-class white northerners. He carried every state but Massachusetts. But his triumph soon turned into disaster.

Nixon was obsessed with secrecy and could not accept honest difference of opinion. He viewed every critic as a threat to national security and developed an “enemies list” that included reporters, politicians, and celebrities unfriendly to the administration. When the Pentagon Papers were published, Nixon created a special investigative unit known as the “plumbers” to gather information about Daniel Ellsberg, the former government official who had leaked them to the press. The plumbers raided the office of Ellsberg’s psychiatrist in search of incriminating records. In June 1972, five former employees of Nixon’s reelection committee took part in a break-in at Democratic Party headquarters in the Watergate apartment complex in Washington, D.C. A security guard called police, who arrested the intruders.

No one knows precisely what the Watergate burglars were looking for (perhaps they intended to install listening devices), and the botched robbery played little role in the 1972 presidential campaign. But in 1973, Judge John J. Sirica, before whom the burglars were tried, determined to find out who had sponsored the break-in. A pair of *Washington Post* journalists began publishing investigative stories that made it clear that persons close to the president had ordered the burglary and then tried to “cover up” White House involvement. Congressional hearings followed that revealed a wider pattern of wiretapping, break-ins, and attempts to sabotage political opposition. When it became known that Nixon had made tape recordings of conversations in his office, a special prosecutor the president had reluctantly appointed to investigate the Watergate affair demanded copies. The Supreme Court unanimously ordered Nixon to provide them—a decision that reaffirmed the principle that the president is not above the law.

NIXON’S FALL

Week after week, revelations about the scandal unfolded. By mid-1974, it had become clear that whether or not Nixon knew in advance of the Watergate break-in, he had become involved immediately afterward in authorizing payments to the burglars to remain silent or commit perjury, and he had ordered the FBI to halt its investigation of the crime. In August 1974, the House Judiciary Committee voted to recommend that Nixon be impeached for conspiracy to obstruct justice. His political support having evaporated, Nixon became the only president in history to resign.

Nixon’s presidency remains a classic example of the abuse of political power. In 1973, his vice president, Spiro T. Agnew, resigned after revelations that he had accepted bribes from construction firms while serving as governor of Maryland. Nixon’s attorney general, John Mitchell, and White House aides H. R. Haldeman and John Ehrlichman were convicted of obstruction of justice in the Watergate affair and went to jail. As for the



Herbert Block's 1973 cartoon depicts Americans' disbelief as revelations related to the Watergate scandal unfolded in Washington.

president, he insisted that he had done nothing wrong—or at any rate, that previous presidents had also been guilty of lying and illegality.

Although it hardly excused his behavior, Nixon had a point. His departure from office was followed by Senate hearings headed by Frank Church of Idaho that laid bare a history of abusive actions that involved every administration since the beginning of the Cold War. In violation of the law, the FBI had spied on millions of Americans and had tried to disrupt the civil rights movement. The CIA had conducted secret operations to overthrow foreign governments and had tried to assassinate foreign leaders. It had even recruited a secret army to fight in Laos, a neighbor of Vietnam. Abuses of power, in other words, went far beyond the misdeeds of a single president.

Along with Watergate, the Pentagon Papers, and the Vietnam War itself, the Church Committee revelations seriously undermined Americans' confidence in their own government. They led Congress to enact new restrictions on the power of the FBI and CIA to spy on American citizens or conduct operations abroad without the knowledge of lawmakers. Congress also strengthened the Freedom of Information Act (FOIA), initially enacted in 1966. Since 1974, the FOIA has allowed scholars, journalists, and ordinary citizens to gain access to millions of pages of records of federal agencies.

Liberals, who had despised Nixon throughout his career, celebrated his downfall. They did not realize that the revulsion against Watergate undermined the foundations of liberalism itself, already weakened by the divisions of the 1960s. For liberalism rests, in part, on belief in the ability of government, especially the federal government, to solve social problems and promote both the public good and individual freedom. Nixon's fall and the revelations of years of governmental misconduct helped to convince many Americans that conservatives were correct when they argued that to protect liberty it was necessary to limit Washington's power over Americans' lives. The Watergate crisis also distracted attention from the economic crisis that began in the fall of 1973. Its inability to fashion a response to this crisis, which gripped the United States for much of the 1970s, dealt liberalism yet another blow.

THE END OF THE GOLDEN AGE

THE DECLINE OF MANUFACTURING

During the 1970s, the long period of postwar economic expansion and consumer prosperity came to an end, succeeded by slow growth and high inflation. There were many reasons for the end of capitalism's "golden age." With American prosperity seemingly unassailable and the military-industrial complex thriving, successive administrations had devoted little attention to the less positive economic consequences of the Cold War. To strengthen its anticommunist allies, the United States promoted the industrial reconstruction of Japan and Germany and the emergence of new centers of manufacturing in places like South Korea and Taiwan. It encouraged American companies to invest in overseas plants and did not complain when allies protected their own industries while seeking unrestricted access to the American market. Imports of foreign steel, for example, led to growing problems for this key industry at home. The strong dollar, linked

to gold by the Bretton Woods agreement of 1944, made it harder to sell American goods overseas (discussed in Chapter 22).

In 1971, for the first time in the twentieth century, the United States experienced a merchandise trade deficit—that is, it imported more goods than it exported. By 1980, nearly three-quarters of goods produced in the United States were competing with foreign-made products and the number of manufacturing workers, 38 percent of the American workforce in 1960, had fallen to 28 percent. Moreover, the war in Vietnam produced ever-higher federal deficits and rising inflation.

In 1971, Nixon announced the most radical change in economic policy since the Great Depression. He took the United States off the gold standard, ending the Bretton Woods agreement that fixed the value of the dollar and other currencies in terms of gold. Henceforth, the world's currencies would “float” in relation to one another, their worth determined not by treaty but by international currency markets. Nixon hoped that lowering the dollar's value in terms of the German mark and Japanese yen would promote exports by making American goods cheaper overseas and reduce imports since foreign products would be more expensive in the United States. But the end of fixed currency rates injected a new element of instability into the world economy. Nixon also ordered wages and prices frozen for ninety days.

STAGFLATION

These policies temporarily curtailed inflation and reduced imports. But in 1973, a brief war broke out between Israel and its neighbors Egypt and Syria. Middle Eastern Arab states retaliated for Western support of Israel by quadrupling the price of oil and suspending the export of oil to the United States for several months. Long lines of cars appeared at American gas stations, which either ran out of fuel or limited how much a customer could buy. A second “oil shock” occurred in 1979 as a result of the revolution that overthrew the shah of Iran, discussed later.

Because the rapidly growing demand for fuel by cars and factories outstripped domestic supplies, by 1973 the United States imported one-third of its oil. Europe and Japan depended even more heavily on oil imports. To promote energy conservation, Congress lowered the speed limit on interstate highways to fifty-five miles per hour, and many public buildings reduced heat and lighting.

The energy crisis of the 1970s drew increased attention to domestic energy resources like oil, coal, and natural gas. While the rest of the economy stagnated, western energy production grew apace. Oil was discovered in Alaska in 1968, and in 1977 a pipeline opened to facilitate its shipment to the rest of the country. Coal production in Wyoming boomed. Western energy companies benefited from the high oil prices set by OPEC—the Organization of Petroleum Exporting Countries.

During the oil crisis of 1973, Americans confronted rising gasoline prices and widespread shortages. Some gas stations closed and were turned to other uses, like this one in Potlatch, Washington, which became a religious meeting hall, the pumps now offering salvation rather than gasoline.



But rising oil prices rippled through the world economy, contributing to the combination of stagnant economic growth and high inflation known as “stagflation.” Between 1973 and 1981, the rate of inflation in developed countries was 10 percent per year, and the rate of economic growth only 2.4 percent, a sharp deterioration from the economic conditions of the 1960s. The so-called misery index—the sum of the unemployment and inflation rates—stood at 10.8 when the decade began. By 1980, it had almost doubled. As oil prices rose, many Americans shifted from large domestically produced cars, known for high gasoline consumption, to smaller, more fuel-efficient imports. By the end of the decade, Japan had become the world’s leading automobile producer, and imports accounted for nearly 25 percent of car sales in the United States.

THE BELEAGUERED SOCIAL COMPACT

The economic crisis contributed to a breakdown of the postwar social compact. Faced with declining profits and rising overseas competition, corporations stepped up the trend, already under way before 1970, toward eliminating well-paid manufacturing jobs through automation and shifting production to low-wage areas of the United States and overseas. The effects on older industrial cities were devastating. By 1980, Detroit and Chicago had lost more than half the manufacturing jobs that had existed three decades earlier.

Smaller industrial cities suffered even sharper declines. As their tax bases shriveled, many found themselves unable to maintain public services. In Paterson, New Jersey, where great silk factories had arisen in the early twentieth century, deindustrialization left a landscape of abandoned manufacturing plants. The poverty rate reached 20 percent, the city sold off public library buildings to raise cash, and the schools became so run down and overcrowded that the state government took control. The accelerating flow of jobs, investment, and population to the nonunion, low-wage states of the Sunbelt increased the political influence of this conservative region.

Table 26.2 THE MISERY INDEX, 1970–1980

<i>Year</i>	<i>Rate of Inflation (%)</i>	<i>Rate of Unemployment (%)</i>	<i>Misery Index (%)</i>
1970	5.9	4.9	10.8
1971	4.3	5.9	10.2
1972	3.3	5.6	8.9
1973	6.2	4.9	11.1
1974	11.0	5.6	16.6
1975	9.1	8.5	17.6
1976	5.8	7.7	13.5
1977	6.5	7.1	13.6
1978	7.7	6.1	13.8
1979	11.3	5.8	17.1
1980	13.5	7.1	20.6



The World Trade Center under construction in New York City in the 1970s.

Of population growth in metropolitan areas, during the 1970s, 96 percent occurred in the South and West. San Jose and Phoenix, with populations around 100,000 in 1950, neared 1 million by 1990.

In some manufacturing centers, political and economic leaders welcomed the opportunity to remake their cities as finance, information, and entertainment hubs. In New York, the construction of the World Trade Center, completed in 1977, symbolized this shift in the economy. Until destroyed by terrorists twenty-four years later, the 110-story “twin towers” stood as a symbol of New York’s grandeur. But to make way for the World Trade Center, the city displaced hundreds of small electronics, printing, and other firms, causing the loss of thousands of manufacturing jobs.

LABOR ON THE DEFENSIVE

Always a junior partner in the Democratic coalition, the labor movement found itself forced onto the defensive. It has remained there ever since. One example of the weakening of unions’ power came in 1975 with the New York City fiscal crisis. Deeply in debt and unable to market its bonds, the city faced the prospect of bankruptcy. The solution to the crisis required a reduction of the city’s workforce, severe cuts in the budgets of schools, parks, and the subway system, and an end to the century-old policy of free tuition at the City University. Even in this center of unionism, working-class New Yorkers had no choice but to absorb job losses and a drastic decline in public services.

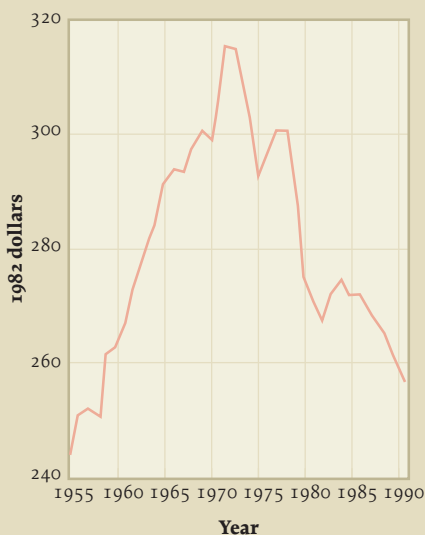
The weakening of unions and the continuation of the economy’s long-term shift from manufacturing to service employment had an adverse impact on ordinary Americans. Between 1953 and 1973, median family income had doubled. But beginning in 1973, real wages essentially did not rise for twenty years. The 1970s was one of only two decades in the twentieth century (the other being the 1930s) that ended with Americans on average poorer than when it began. The popular song “The River,” by Bruce Springsteen, captured the woes of blue-collar workers: “Is a dream a lie if it don’t come true / Or is it something worse?”

FORD AS PRESIDENT

Economic problems dogged the presidencies of Nixon’s successors. Gerald Ford, who had been appointed to replace Vice President Agnew, succeeded to the White House when Nixon resigned. Ford named Nelson Rockefeller of New York as his own vice president. Thus, for the only time in American history, both offices were occupied by persons for whom no one had actually voted. Among his first acts as president, Ford pardoned Nixon, shielding him from prosecution for obstruction of justice. Ford claimed that he wanted the country to put the Watergate scandal behind it. But the pardon proved to be widely unpopular.

In domestic policy, Ford’s presidency lacked significant accomplishment. Ford and his chief economic adviser, Alan Greenspan, believed that Americans spent too much on consumption and saved too little, leaving business with insufficient money for investment. They called for cutting taxes on business and lessening government regulation of the economy. But the Democratic majority in Congress was in no mood to accept these

Figure 26.2 REAL AVERAGE WEEKLY WAGES, 1955–1990



Because of economic dislocations and deindustrialization, Americans’ real wages (wages adjusted to take account of inflation) peaked in the early 1970s and then began a sharp, prolonged decline.

traditional Republican policies. To combat inflation, Ford urged Americans to shop wisely, reduce expenditures, and wear WIN buttons (for “Whip Inflation Now”). Although inflation fell, joblessness continued to rise. During the steep recession of 1974–1975 unemployment exceeded 9 percent, the highest level since the Depression.

In the international arena, 1975 witnessed the major achievement of Ford’s presidency. In a continuation of Nixon’s policy of détente, the United States and Soviet Union signed an agreement at Helsinki, Finland, that recognized the permanence of Europe’s post–World War II boundaries (including the division of Germany). In addition, both superpowers agreed to respect the basic liberties of their citizens. Secretary of State Kissinger and his Soviet counterpart, Andrey Gromyko, assumed that this latter pledge would have little practical effect. But over time, the Helsinki Accords inspired movements for greater freedom within the communist countries of eastern Europe.

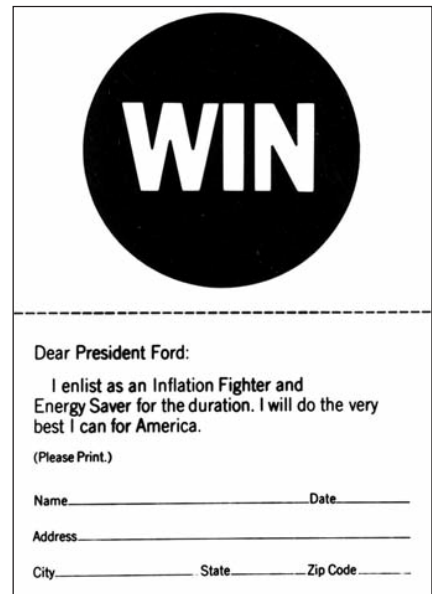
THE CARTER ADMINISTRATION

In the presidential election of 1976, Jimmy Carter, a former governor of Georgia, narrowly defeated Ford. A graduate of the U.S. Naval Academy who later became a peanut farmer, Carter was virtually unknown outside his state when he launched his campaign for the Democratic nomination. But realizing that Watergate and Vietnam had produced a crisis in confidence in the federal government, he turned his obscurity into an advantage. Carter ran for president as an “outsider,” making a virtue of the fact that he had never held federal office. A devout “born-again” Baptist, he spoke openly of his religious convictions. His promise, “I’ll never lie to you,” resonated with an electorate tired of official dishonesty.

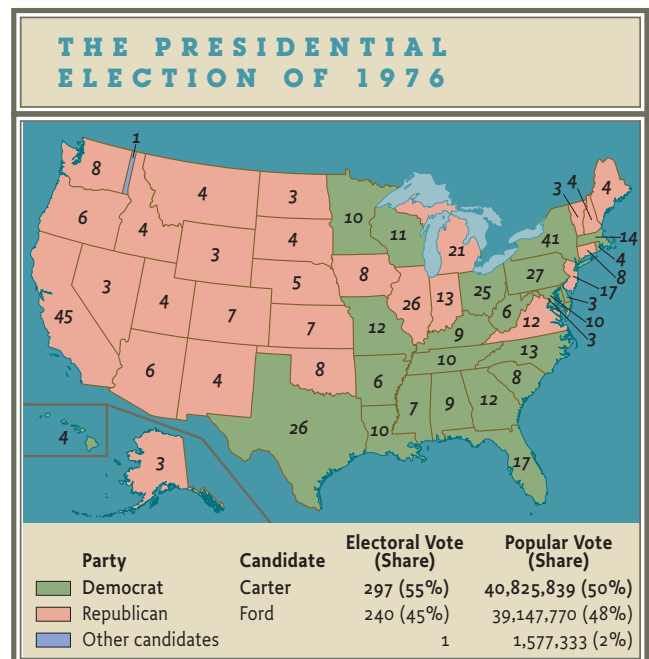
Carter had much in common with Progressives of the early twentieth century. His passions were making government more efficient, protecting the environment, and raising the moral tone of politics. Unlike the Progressives, however, he embraced the aspirations of black Americans. His inaugural address as governor of Georgia in 1971 had apologized for past mistreatment of the state’s black population. As president, Carter appointed an unprecedented number of blacks to important positions, including Andrew Young, a former lieutenant of Martin Luther King Jr., as ambassador to the United Nations.

CARTER AND THE ECONOMIC CRISIS

Although his party controlled both houses, Carter often found himself at odds with Congress. He viewed inflation, not unemployment, as the country’s main economic problem, and to combat it he promoted cuts in spending on domestic programs. In the hope that increased competition would reduce prices, his administration deregulated the trucking and airline industries. Carter supported the Federal Reserve Bank’s decision to raise interest rates to curtail economic activity until both wages and prices fell, traditionally a Republican policy. But oil prices kept rising,



President Gerald Ford tried to enlist Americans in his “Whip Inflation Now” program. It did not succeed.





The deregulation of the airline industry produced lower fares, but also a drastic decline in service. Before deregulation, with prices fixed, airlines sought to attract customers by providing good service. Today, fares are low, but passengers are jammed in like sardines and have to pay for checked baggage, onboard meals, and other amenities.

thanks to the overthrow of the shah of Iran, discussed later, and inflation did not decline.

Carter also believed that expanded use of nuclear energy could help reduce dependence on imported oil. For years, proponents of nuclear power had hailed it as an inexpensive way of meeting the country's energy needs. By the time Carter took office, more than 200 nuclear plants were operating or on order. But in 1979 the industry suffered a near-fatal blow when an accident at the Three Mile Island plant in Pennsylvania released a large amount of radioactive steam into the atmosphere. The rise of the environmental movement had promoted public skepticism about scientific experts who touted the miraculous promise of technological innovations without concern for their social consequences. The Three Mile Island mishap reinforced fears about the environmental hazards associated with nuclear

energy and put a halt to the industry's expansion.

Since the New Deal, Democrats had presented themselves as the party of affluence and economic growth. But Carter seemed to be presiding over a period of national decline. It did not help his popularity when, in a speech in 1979, he spoke of a national "crisis of confidence" and seemed to blame it on the American people themselves and their "mistaken idea of freedom" as "self-indulgence and consumption."

THE EMERGENCE OF HUMAN RIGHTS POLITICS

Under Carter, a commitment to promoting human rights became a centerpiece of American foreign policy for the first time. He was influenced by the proliferation of information about global denials of human rights spread by nongovernmental agencies like Amnesty International and the International League for Human Rights. The American membership of Amnesty International, a London-based organization, grew from 6,000 to



The 1979 accident at the Three Mile Island nuclear plant in Pennsylvania brought a halt to the industry's expansion.

35,000 between 1970 and 1976. Its reports marked a significant break with dominant ideas about international affairs since World War II, which had viewed the basic division in the world as between communist and noncommunist countries. Such reports, along with congressional hearings, fact-finding missions, and academic studies of human rights, exposed misdeeds not only by communist countries, but also by American allies, especially the death squads of Latin American dictatorships. "Information is the core work of the movement," Amnesty International declared. Its findings aroused widespread indignation and pressured elected officials in the United States to try to do something to promote human rights abroad.

In 1978, Carter cut off aid to the brutal military dictatorship governing Argentina, which in the name of anticommunism had launched a "dirty war" against its own citizens, kidnapping off the streets and secretly murdering an estimated 10,000 to 30,000 persons. Carter's action was a dramatic gesture, as Argentina was one of the most important powers in Latin America and previous American administrations had turned a blind eye to human rights abuses by Cold War allies. By the end of his presidency, the phrase "human rights," had acquired political potency. Its very vagueness was both a weakness and a strength. It was difficult to define exactly what rights should and should not be considered universally applicable, but various groups could and did unite under the umbrella of global human rights.

Carter believed that in the post-Vietnam era, American foreign policy should de-emphasize Cold War thinking. Combating poverty in the Third World, preventing the spread of nuclear weapons, and promoting human rights should take priority over what he called "the inordinate fear of communism that once led us to embrace any dictator who joined us in that fear." In one of his first acts as president, he offered an unconditional pardon to Vietnam-era draft resisters. In a 1977 address, he insisted that foreign policy could not be separated from "questions of justice, equity, and human rights."

Carter's emphasis on pursuing peaceful solutions to international problems and his willingness to think outside the Cold War framework yielded important results. In 1979, he brought the leaders of Egypt and Israel to the presidential retreat at Camp David and brokered a historic peace agreement between the two countries. He improved American relations with Latin America by agreeing to a treaty, ratified by the Senate in 1978, that provided for the transfer of the Panama Canal to local control by the year 2000. In 1979, he resisted calls for intervention when a popular revolution led by the left-wing Sandinista movement overthrew Nicaraguan dictator Anastasio Somoza, a longtime ally of the United States. Carter attempted to curb the murderous violence of death squads allied to the right-wing government of El Salvador, and in 1980 he suspended military aid after the murder of four American nuns by members of the country's army. He signed the SALT II agreement with the

President Jimmy Carter (center), Egyptian president Anwar Sadat (left), and Israeli prime minister Menachem Begin (right) celebrating the signing of the 1979 peace treaty between Israel and Egypt.



Soviets, which reduced the number of missiles, bombers, and nuclear warheads.

Both conservative Cold Warriors and foreign policy “realists” severely criticized Carter’s emphasis on human rights. He himself found it impossible to translate rhetoric into action. He criticized American arms sales to the rest of the world. But with thousands of jobs and billions of dollars in corporate profits at stake, he did nothing to curtail them. The United States continued its support of allies with records of serious human rights violations such as the governments of Guatemala, the Philippines, South Korea, and Iran. Indeed, the American connection with the shah of Iran, whose secret police regularly jailed and tortured political opponents, proved to be Carter’s undoing.

THE IRAN CRISIS AND AFGHANISTAN

Occupying a strategic location on the southern border of the Soviet Union, Iran was a major supplier of oil and an importer of American military equipment. At the end of 1977, Carter traveled there to help celebrate the shah’s rule, causing the internal opposition to become more and more anti-American. Early in 1979, a popular revolution inspired by the exiled Muslim cleric Ayatollah Khomeini overthrew the shah and declared Iran an Islamic republic.

The Iranian revolution marked an ideological shift in opposition movements in the Middle East from socialism and Arab nationalism to religious fundamentalism. This would have important long-term consequences for the United States. More immediately, when Carter in November 1979 allowed the deposed shah to seek medical treatment in the United States, Khomeini’s followers invaded the American embassy in Tehran and seized fifty-three hostages. They did not regain their freedom until January 1981, on the day Carter’s term as president ended. Events in Iran made Carter seem helpless and inept and led to a rapid fall in his popularity.

Another crisis that began in 1979 undermined American relations with Moscow. At the end of that year, the Soviet Union sent thousands of troops into Afghanistan to support a friendly government threatened by an Islamic rebellion. In the long run, Afghanistan became the Soviet Vietnam, an unwinnable conflict whose mounting casualties seriously weakened the government at home. Initially, however, it seemed another example of declining American power.

Declaring the invasion the greatest crisis since World War II (a considerable exaggeration), the president announced the Carter Doctrine, declaring that the United States would use military force, if necessary, to protect its interests in the Persian Gulf. He placed an embargo on grain exports to the Soviet Union and organized a Western boycott of the 1980 Olympics, which took place in Moscow. He withdrew the SALT II treaty from consideration by the Senate and dramatically increased American military spending. In a reversion to the Cold War principle that any opponent of the Soviet Union deserved American support, the United States funneled aid to fundamentalist Muslims in Afghanistan who fought a decade-long guerrilla war against the Soviets. The alliance had unforeseen consequences. A faction of Islamic fundamentalists known as the Taliban eventually came to power in Afghanistan. Tragically, they would prove as hostile to the United States as to Moscow.



Television gave extensive coverage to the plight of American hostages in Iran in 1979–1980, leading many Americans to view the Carter administration as weak and inept.

In an unsuccessful attempt to bring down inflation, Carter had abandoned the Keynesian economic policy of increased government spending to combat recession in favor of high interest rates. He had cut back on social spending and the federal government's economic regulations, while projecting a major increase in the military budget. By 1980, détente had been eclipsed and the Cold War reinvigorated. Thus, many of the conservative policies associated with his successor, Ronald Reagan, were already in place when Carter's presidency ended.

THE RISING TIDE OF CONSERVATISM

The combination of domestic and international dislocations during the 1970s created a widespread sense of anxiety among Americans and offered conservatives new political opportunities. Economic problems heightened the appeal of lower taxes, reduced government regulation, and cuts in social spending to spur business investment. Fears about a decline of American power in the world led to calls for a renewal of the Cold War. The civil rights and sexual revolutions produced resentments that undermined the Democratic coalition. Rising urban crime rates reinforced demands for law and order and attacks on courts considered too lenient toward criminals. These issues brought new converts to the conservative cause.

As the 1970s went on, conservatives abandoned overt opposition to the black struggle for racial justice. The fiery rhetoric and direct confrontation tactics of Bull Connor, George Wallace, and other proponents of massive resistance were succeeded by appeals to freedom of association, local control, and resistance to the power of the federal government. This language of individual freedom resonated throughout the country, appealing especially to the growing, predominantly white, suburban population that was fleeing the cities and their urban problems. The suburbs would become one of the bastions of modern conservatism.

But it was not just a reaction to the 1960s and the spread of conservative ideas that nourished the movement. Like predecessors as diverse as the civil rights and labor movements, conservatives organized at the grass roots. In order to spread conservative doctrines, they ran candidates for office even when they had little chance of winning, and worked to change the policies of local institutions like school boards, town councils, and planning commissions.

One set of recruits was the "neoconservatives," a group of intellectuals who charged that the 1960s had produced a decline in moral standards and respect for authority. Once supporters of liberalism, they had come to believe that even well-intentioned government social programs did more harm than good. Welfare, for example, not only failed to alleviate poverty but also encouraged single motherhood and undermined the work ethic. High taxes and expensive government regulations drained resources from productive enterprises, stifling economic growth. Neoconservatives repudiated the attempts by Nixon, Ford, and Carter to reorient foreign policy away from the Cold War. Carter's focus on human rights and alleged blindness to the Soviet threat, they argued, endangered the "survival of freedom." Conservative "think tanks" created during the 1970s, like the Heritage Foundation and the American Enterprise Institute, refined and spread these ideas.



The Reverend Jerry Falwell, leader of the Moral Majority, with some of his followers.

THE RELIGIOUS RIGHT

The rise of religious fundamentalism during the 1970s expanded conservatism's popular base. Challenged by the secular and material concerns of American society, some denominations tried to bring religion into harmony with these interests; others reasserted more traditional religious values. The latter approach seemed to appeal to growing numbers of Americans. Even as membership in mainstream denominations like Episcopalianism and Presbyterianism declined, evangelical Protestantism flourished. Some observers spoke of a Third Great Awakening (like those of the 1740s and early nineteenth century). The election of Carter, the first "born-again" Christian to become president, highlighted the growing influence of evangelical religion. But unlike Carter, most fundamentalists who entered politics did so as conservatives.

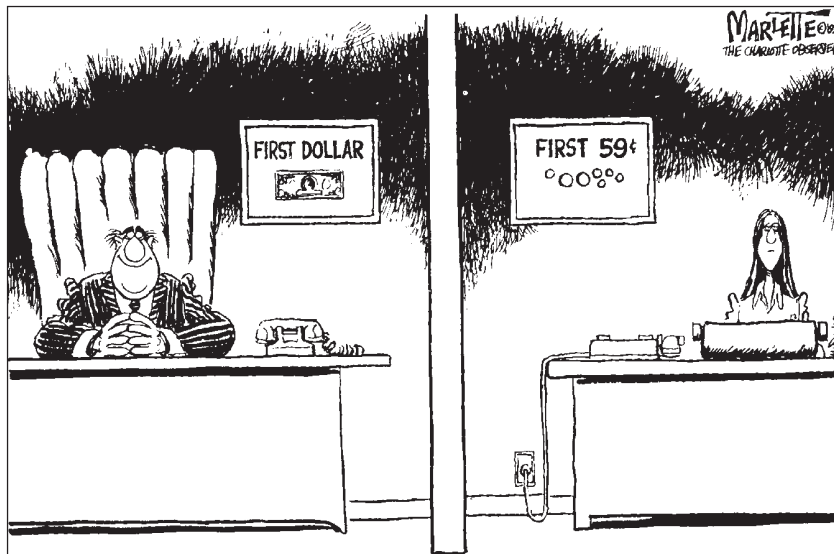
Evangelical Christians had become more and more alienated from a culture that seemed to them to trivialize religion and promote immorality. They demanded the reversal of Supreme Court decisions banning prayer in public schools, protecting pornography as free speech, and legalizing abortion. Although it spoke of restoring traditional values, the Religious Right proved remarkably adept at using modern technology, including mass mailings and televised religious programming, to raise funds for their crusade and spread their message. In 1979, Jerry Falwell, a Virginia minister, created the self-styled Moral Majority, devoted to waging a "war against sin" and electing "pro-life, pro-family, pro-America" candidates to office. Falwell identified supporters of abortion rights, easy divorce, and "military unpreparedness" as the forces of Satan, who sought to undermine God's "special plans for this great, free country of ours."

Christian conservatives seemed most agitated by the ongoing sexual revolution, which they saw as undermining the traditional family and promoting immorality. As a result of the 1960s, they believed, American freedom was out of control. The growing assertiveness of the new gay movement spurred an especially fierce reaction. In 1977, after a campaign led by the popular singer Anita Bryant, a familiar fixture in televised orange juice commercials, Dade County, Florida, passed an anti-gay ordinance under the banner "Save Our Children."

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THE BATTLE OVER THE EQUAL RIGHTS AMENDMENT

During the 1970s, "family values" moved to the center of conservative politics, nowhere more so than in the battle over the Equal Rights Amendment (ERA). Originally proposed during the 1920s by Alice Paul and the Women's Party, the ERA had been revived by second-wave feminists. In the wake of the rights revolution, the amendment's affirmation that



Doug Marlette's cartoon comments on the continuing gap in pay between men and women, the kind of inequality that inspired support for the proposed Equal Rights Amendment.

“equality of rights under the law” could not be abridged “on account of sex” hardly seemed controversial. In 1972, with little opposition, Congress approved the ERA and sent it to the states for ratification. Designed to eliminate obstacles to the full participation of women in public life, it aroused unexpected protest from those who claimed it would discredit the role of wife and homemaker.

The ERA debate reflected a division among women as much as a battle of the sexes. To its supporters, the amendment offered a guarantee of women’s freedom in the public sphere. To its foes, freedom for women still resided in the divinely appointed roles of wife and mother. Phyllis Schlafly, who helped to organize opposition to the ERA, insisted that the “free enterprise system” was the “real liberator of women,” since labor-saving home appliances offered more genuine freedom than “whining about past injustices” or seeking fulfillment outside the home. Opponents claimed that the ERA would let men “off the hook” by denying their responsibility to provide for their wives and children. Polls consistently showed that a majority of Americans, male and female, favored the ERA. But thanks to the mobilization of conservative women, the amendment failed to achieve ratification by the required thirty-eight states.

THE ABORTION CONTROVERSY

An even more bitter battle emerged in the 1970s over abortion rights, another example, to conservatives, of how liberals in office promoted sexual immorality at the expense of moral values. The movement to reverse the 1973 *Roe v. Wade* decision began among Roman Catholics, whose church condemned abortion under any circumstances. But it soon enlisted evangelical Protestants and social conservatives more generally. Life, the movement insisted, begins at conception, and abortion is nothing less than murder. Between this position and the feminist insistence that a woman’s right to control her body includes the right to a safe, legal abortion, compromise was impossible. Ironically, both sides showed how the rights revolution had reshaped the language of politics. Defenders of abortion exalted “the right to

A 1979 anti-abortion rally in Washington, D.C., on the sixth anniversary of the Supreme Court's decision in *Roe v. Wade*, which barred states from limiting a woman's right to terminate a pregnancy.



choose” as the essence of freedom. Opponents called themselves the “right to life” movement and claimed to represent the rights of the “unborn child.”

The abortion issue drew a bitter, sometimes violent line through American politics. It affected battles over nominees to judicial positions and led to demonstrations at family-planning and abortion clinics. The anti-abortion movement won its first victory in 1976 when Congress, over President Ford's veto, ended federal funding for abortions for poor women through the Medicaid program. By the 1990s, a few fringe anti-abortion activists were placing bombs at medical clinics and murdering doctors who terminated pregnancies. To the end of the century, most women would continue to have the legal right of access to abortion. But in many areas the procedure became more and more difficult to obtain as hospitals and doctors stopped providing it.

THE TAX REVOLT

With liberals unable to devise an effective policy to counteract deindustrialization and declining real wages, economic anxieties also created a growing constituency for conservative economics. Unlike during the Great Depression, economic distress inspired a critique of government rather than of business. New environmental regulations led to calls for less government intervention in the economy. These were most strident in the West, where measures to protect the environment threatened irrigation projects and private access to public lands. But everywhere, the economy's descent from affluence to “stagflation” increased the appeal of the conservative argument that government regulation raised business costs and eliminated jobs.

Economic decline also broadened the constituency receptive to demands for lower taxes. To conservatives, tax reductions served the dual purpose of enhancing business profits and reducing the resources available to



Women demonstrating in support for abortion rights.



VISIONS OF FREEDOM



Phyllis Schlafly Campaigning against the Equal Rights Amendment. *The activist Phyllis Schlafly, pictured here leading a rally at the Illinois State Capitol in 1978, was instrumental in grassroots organization of conservative men and women in opposition to the proposed Equal Rights Amendment to the Constitution, which would have barred all legal inequalities based on sex. She claimed that the amendment would take away “the right to be a housewife.” The amendment’s defeat was a major victory for the conservative movement.*

QUESTIONS

1. What does the image suggest about conflicting ideas of the role of women in American society in the wake of the social and political divisions created by the feminist movement of the 1960s and 1970s?
2. Why do opponents claim that the proposed amendment was a “blow” against American families?

government, thus making new social programs financially impossible. Many Americans found taxes increasingly burdensome. On paper, their incomes were rising, although the gains were nullified by inflation. Rising wages pushed families into higher tax brackets, increasing the percentage of their income they had to pay the government.

In 1978, conservatives sponsored and California voters approved Proposition 13, a ban on further increases in property taxes. The vote demonstrated that the level of taxation could be a powerful political issue. Proposition 13 proved to be a windfall for businesses and home owners, while reducing funds available for schools, libraries, and other public services. Many voters, however, proved willing to accept this result of lower taxes. As anti-tax sentiment flourished throughout the country, many states followed California’s lead.

A parallel upsurge of grassroots conservatism was reflected in the Sagebrush Rebellion (the name given to a bill passed by the Nevada legislature in 1979). Using the language of freedom from government tyranny, leaders in western states denounced control of large areas of land by the Bureau of Land Management in Washington, D.C., and insisted that the states themselves be given decision-making power over issues like grazing rights, mining development, and whether public lands should be closed to fishing and hunting. With the federal government reluctant to give up control over public lands in the West, the Sagebrush Rebellion had few concrete accomplishments, but it underscored the rising tide of antigovernment sentiment.

THE ELECTION OF 1980

By 1980, Carter’s approval rating had fallen to 21 percent—lower than Nixon’s at the time of his resignation. A conservative tide seemed to be rising throughout the Western world. In 1979, Margaret Thatcher became prime minister of Great Britain. She promised to restore economic competitiveness by curtailing the power of unions, reducing taxes, selling state-owned industries to private owners, and cutting back the welfare state. In the United States, Ronald Reagan’s 1980 campaign for the presidency brought together the many strands of 1970s conservatism. He pledged to end stagflation and restore the country’s dominant role in the world and its confidence in itself. “Let’s make America great again,” he proclaimed. “The era of self-doubt is over.”

Reagan also appealed skillfully to “white backlash.” He kicked off his campaign in Philadelphia, Mississippi, where three civil rights workers had been murdered in 1964, with a speech emphasizing his belief in states’ rights. Many white southerners understood this doctrine as including opposition to federal intervention on behalf of civil rights. During the campaign, Reagan repeatedly condemned welfare “cheats,” school busing, and affirmative action. The Republican platform reversed the party’s long-standing support for the Equal Rights Amendment and condemned moral permissiveness. Although not personally religious and the first divorced man to run for president,



Reagan won the support of the Religious Right and conservative upholders of “family values.”

Riding a wave of dissatisfaction with the country’s condition, Reagan swept into the White House. He carried such Democratic strongholds as Illinois, Texas, and New York. Because moderate Republican John Anderson, running for president as an independent, received about 7 percent of the popular vote, Reagan won only a bare majority, although he commanded a substantial margin in the electoral college. Carter received 41 percent, a humiliating defeat for a sitting president.

Jimmy Carter’s reputation improved after he left the White House. He went to work for Habitat for Humanity, an organization that constructs homes for poor families. In the 1990s, he negotiated a cease-fire between warring Muslim and Serb forces in Bosnia and arranged a peaceful transfer of power from the military to an elected government in Haiti. In 2002, Carter was awarded the Nobel Peace Prize. His presidency, however, is almost universally considered a failure. And his defeat in 1980 launched the Reagan Revolution, which completed the transformation of freedom from the rallying cry of the left to a possession of the right.

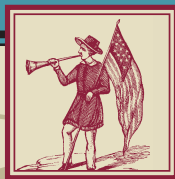
THE REAGAN REVOLUTION

Ronald Reagan followed a most unusual path to the presidency. Originally a New Deal Democrat and head of the Screen Actors Guild (the only union leader ever to reach the White House), he emerged in the 1950s as a spokesman for the General Electric Corporation, preaching the virtues of unregulated capitalism. His nominating speech for Barry Goldwater at the 1964 Republican convention brought Reagan to national attention. Two years later, California voters elected Reagan as governor, establishing him as conservatives’ best hope of capturing the presidency. In 1976, he challenged President Ford for the Republican nomination and came close to winning it. His victory in 1980 brought to power a diverse coalition of old and new conservatives: Sunbelt suburbanites and urban working-class ethnics; antigovernment crusaders and advocates of a more aggressive foreign policy; libertarians who believed in freeing the individual from restraint and the Christian Right, which sought to restore what they considered traditional moral values to American life.

REAGAN AND AMERICAN FREEDOM

Reagan’s opponents often underestimated him. By the time he left office at the age of seventy-seven, he had become the oldest man ever to serve as president. He “rose at the crack of noon,” as one reporter put it, and relied on his wife to arrange his official schedule. Unlike most modern presidents, he was content to outline broad policy themes and leave their implementation to others.

Reagan, however, was hardly a political novice, having governed California during the turbulent 1960s. An excellent public speaker, his optimism and affability appealed to large numbers of Americans. Reagan made conservatism seem progressive, rather than an attempt to turn back the tide of progress. He frequently quoted Thomas Paine: “We have it in our



VOICES OF FREEDOM

FROM Redstockings Manifesto (1969)

Redstockings was one of the radical feminist movements that arose in the late 1960s. Based in New York, it issued this manifesto, which, in language typical of the era, illustrates how at its most radical edge, feminism had evolved from demands for equal treatment for women to a total critique of male power and a call for women's "liberation."

After centuries of individual and preliminary political struggle, women are uniting to achieve their final liberation from male supremacy. Redstockings is dedicated to building this unity and winning our freedom.

Women are an oppressed class. Our oppression is total, affecting every facet of our lives. We are exploited as sex objects, breeders, domestic servants, and cheap labor. We are considered inferior beings, whose only purpose is to enhance men's lives. Our humanity is denied. Our prescribed behavior is enforced by the threat of physical violence.

Because we have lived so intimately with our oppressors, in isolation from each other, we have been kept from seeing our personal suffering as a political condition. . . .

We identify the agents of our oppression as men. Male supremacy is the oldest, most basic form of domination. . . . Men have controlled all political, economic, and cultural institutions and backed up this control with physical force. . . .

Our chief task at present is to develop female class consciousness through sharing experience and publicly exposing the sexist foundation of all our institutions. Consciousness-raising is not "therapy," which implies the existence of individual solutions and falsely assumes that the male-female relationship is purely personal, but the only method by which we can ensure that our program for liberation is based on the concrete realities of our lives. . . . The first requirement for raising class consciousness is honesty, in private and in public, with ourselves and other women.

We identify with all women. We define our best interest as that of the poorest, most brutally exploited women. . . .

We call on all our sisters to unite with us in struggle.

We call on all men to give up their male privileges and support women's liberation in the interest of our humanity and their own.

July 7, 1969, New York City

**FROM JERRY FALWELL,
Listen, America! (1980)**

The Reverend Jerry Falwell, a Virginia minister who in 1979 founded the self-proclaimed Moral Majority, was one of the leading conservative activists of the 1970s and 1980s. In language reminiscent of Puritan jeremiads about the decline of moral values, Falwell helped to mobilize evangelical Christians to ally with the Republican Party.

We must reverse the trend America finds herself in today. Young people between the ages of twenty-five and forty have been born and reared in a different world than Americans of years past. The television set has been their primary baby-sitter. From the television set they have learned situation ethics and immorality—they have learned a loss of respect for human life. They have learned to disrespect the family as God has established it. They have been educated in a public-school system that is permeated with secular humanism. They have been taught that the Bible is just another book of literature. They have been taught that there are no absolutes in our world today. They have been introduced to the drug culture. They have been reared by the family and the public school in a society that is greatly void of discipline and character-building. . . .

Every American who looks at the facts must share a deep concern and burden for our country. . . . If Americans will face the truth, our nation can be turned around and can be saved from the evils and the destruction that have fallen upon every other nation that has turned its back on God. . . .

I personally feel that the home and the family

are still held in reverence by the vast majority of the American public. I believe there is still a vast number of Americans who love their country, are patriotic, and are willing to sacrifice for her. . . . I believe that Americans want to see this country come back to basics, back to values, back to biblical morality, back to sensibility, and back to patriotism. . . .

It is now time to take a stand on certain moral issues, and we can only stand if we have leaders. We must stand against the Equal Rights Amendment, the feminist revolution, and the homosexual revolution. . . . The hope of reversing the trends of decay in our republic now lies with the Christian public in America. We cannot expect help from the liberals. They certainly are not going to call our nation back to righteousness and neither are the pornographers, the smut peddlers, and those who are corrupting our youth. Moral Americans must be willing to put their reputations, their fortunes, and their very lives on the line for this great nation of ours. Would that we had the courage of our forefathers who knew the great responsibility that freedom carries with it.

QUESTIONS

1. How do the authors of the Redstockings Manifesto seem to define women's freedom?
2. What does Falwell see as the main threats to moral values?
3. How do the two documents differ in their views about the role of women in American society?



A delegate to the Republican national convention of 1980 wears a hat festooned with the flags of the United States and Texas, and a button with a picture of her hero, Ronald Reagan.

power to begin the world over again.” Reagan repeatedly invoked the idea that America has a divinely appointed mission as a “beacon of liberty and freedom.” Freedom, indeed, became the watchword of the Reagan Revolution. In his public appearances and state papers, Reagan used the word more often than any president before him.

Reagan reshaped the nation’s agenda and political language more effectively than any president since Franklin D. Roosevelt. Like FDR, he seized on the vocabulary of his opponents and gave it new meaning. Reagan promised to free government from control by “special interests,” but these were racial minorities, unionists, and others hoping to use Washington’s power to attack social inequalities, not businessmen seeking political favors, the traditional target of liberals. His Justice Department made the principle that the Constitution must be “color-blind”—a remark hurled at the Supreme Court majority by Justice John Marshall Harlan in 1896 to challenge a system of legal segregation—a justification for gutting civil-rights enforcement.

Overall, Reagan proved remarkably successful at seizing control of the terms of public debate. On issues ranging from taxes to government spending, national security, crime, welfare, and “traditional values,” he put Democrats on the defensive. But he also proved to be a pragmatist, recognizing when to compromise so as not to fragment his diverse coalition of supporters.

REAGANOMICS

Like Roosevelt and Johnson before him, Reagan spoke of “economic freedom” and proposed an “economic Bill of Rights.” But in contrast to his predecessors, who used these phrases to support combating poverty and strengthening economic security, economic freedom for Reagan meant curtailing the power of unions, dismantling regulations, and radically reducing taxes. Taxation, he declared, violated the principle that “the right to earn your own keep and keep what you earn” was “what it means to be free.”

In 1981, Reagan persuaded Congress to reduce the top tax rate from 70 percent to 50 percent and to index tax brackets to take inflation into account. Five years later, the Tax Reform Act reduced the rate on the wealthiest Americans to 28 percent. These measures marked a sharp retreat from the principle of progressivity (the idea that the wealthy should pay a higher percentage of their income in taxes than other citizens), one of the ways twentieth-century societies tried to address the unequal distribution of wealth. Reagan also appointed conservative heads of regulatory agencies, who cut back on environmental protection and workplace safety rules about which business had complained for years.

Since the New Deal, liberals had tried to promote economic growth by using the power of the government to bolster ordinary Americans’ purchasing power. Reagan’s economic program, known as “supply-side economics” by proponents and “trickle-down economics” by critics, relied on high interest rates to curb inflation and lower tax rates, especially for businesses and high-income Americans, to stimulate private investment. The policy assumed that cutting taxes would inspire Americans at all income levels to work harder, since they would keep more of the money they earned. Everyone would benefit from increased business profits, and because of a growing economy, government receipts would rise despite lower tax rates.

REAGAN AND LABOR

Reagan inaugurated an era of hostility between the federal government and organized labor. In August 1981, when 13,000 members of PATCO, the union of air traffic controllers, began a strike in violation of federal law, Reagan fired them all. He used the military to oversee the nation's air traffic system until new controllers could be trained. Reagan's action inspired many private employers to launch anti-union offensives. The hiring of workers to replace permanently those who had gone on strike, a rare occurrence before 1980, became widespread. Manufacturing employment, where union membership was concentrated, meanwhile continued its long-term decline. By the mid-1990s, the steel industry employed only 170,000 persons—down from 600,000 in 1973. When Reagan left office, both the service and retail sectors employed more Americans than manufacturing, and only 11 percent of workers with non-government jobs were union members.

"Reaganomics," as critics dubbed the administration's policies, initially produced the most severe recession since the 1930s. A long period of economic expansion, however, followed the downturn of 1981–1982. As companies "downsized" their workforces, shifted production overseas, and took advantage of new technologies such as satellite communications, they became more profitable. At the same time, the rate of inflation, 13.5 percent at the beginning of 1981, declined to 3.5 percent in 1988, partly because a period of expanded oil production that drove down prices succeeded the shortages of the 1970s. The stock market rose substantially. In October 1987, the market suffered its sharpest drop since 1929, but stocks soon resumed their upward climb.

THE PROBLEM OF INEQUALITY

Together, Reagan's policies, rising stock prices, and deindustrialization resulted in a considerable rise in economic inequality. By the mid-1990s, the richest 1 percent of Americans owned 40 percent of the nation's wealth, twice their share twenty years earlier. Most spent their income not on productive investments and charity as supply-side economists had promised, but on luxury goods, real-estate speculation, and corporate buyouts that often led to plant closings as operations were consolidated. The income of middle-class families, especially those with a wife who did not work outside the home, stagnated while that of the poorest one-fifth of the population declined. Because of falling investment in public housing, the release of mental patients from state hospitals, and cuts in welfare, homeless persons became a visible fixture on the streets of cities from New York to Los Angeles.

Deindustrialization and the decline of the labor movement had a particularly devastating impact on minority workers, who had only recently



This photograph of the remains of the Sprague Electric Company in North Adams, Massachusetts, which closed in 1985, depicts the aftermath of deindustrialization. Today, the building is the site of the Massachusetts Museum of Contemporary Art.



A homeless Los Angeles family, forced to live in their car, photographed in 1983.

gained a foothold in better-paying manufacturing jobs. Thanks to the opening of colleges and professional schools to minority students as a result of the civil rights movement and affirmative action programs, the black middle class expanded considerably. But black workers, traditionally the last hired and first fired, were hard hit by economic changes.

During the 1970s, Jim Crow had finally ended in many workplaces and unions. But just as decades of painful efforts to obtain better jobs bore fruit, hundreds of thousands of black workers lost their jobs when factories closed their doors. In South Gate, a working-class suburb of Los Angeles, for example, the giant Firestone tire factory shut down in 1980, only a few years after black and Latino workers had made their first breakthroughs in employment. When the national unemployment rate reached 8.9 percent at the end of 1981, the figure for blacks exceeded 20 percent. Nor did black workers share fully in the recovery that followed. Few had the education to take advantage of job openings in growing “knowledge-based” industries like technology and information services. Overall, during the 1980s black males fell farther than any other group in the population in terms of wages and jobs.

THE SECOND GILDED AGE

In retrospect, the 1980s, like the 1890s, would be widely remembered as a decade of misplaced values. Buying out companies generated more profits than running them; making deals, not making products, became the way to get rich. The merger of Nabisco and R.J. Reynolds Tobacco Company in 1988 produced close to \$1 billion in fees for lawyers, economic advisers, and stockbrokers. “Greed is healthy,” declared Wall Street financier Ivan Boesky (who ended up in prison for insider stock trading). “Yuppie”—the young



A family of affluent “yuppies”—young urban professionals—posing in their New York City apartment with their child-care worker and baby.

urban professional who earned a high income working in a bank or stock brokerage firm and spent lavishly on designer clothing and other trappings of the good life—became a household word. Television shows like *Dallas* and *Dynasty* chronicled the activities of the very rich for a mass audience.

Taxpayers footed the bill for some of the consequences. The deregulation of savings and loan associations—banks that had generally confined themselves to financing home mortgages—allowed these institutions to invest in unsound real-estate ventures and corporate mergers. Losses piled up, and the Federal Savings and Loan Insurance Corporation, which insured depositors' accounts, faced bankruptcy. After Reagan left office, the federal government bailed out the savings and loan institutions, at a cost to taxpayers estimated at \$250 billion.

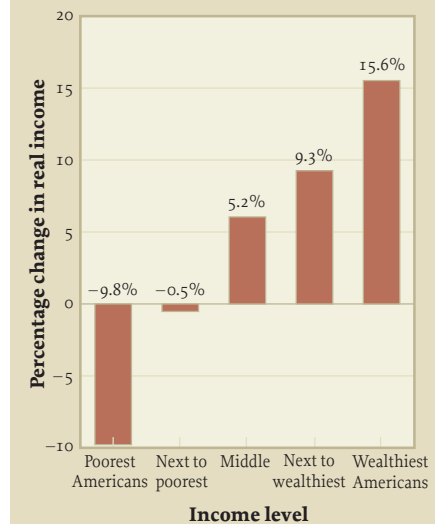
Supply-side advocates insisted that lowering taxes would enlarge government revenue by stimulating economic activity. But spurred by large increases in funds for the military, federal spending far outstripped income, producing large budget deficits, despite assurances by supply-siders that this would not happen. During Reagan's presidency, the national debt tripled to \$2.7 trillion. Nonetheless, Reagan remained immensely popular. He took credit for economic expansion while blaming congressional leaders for the ballooning federal deficit. He won a triumphant reelection in 1984. His opponent, Walter Mondale (best remembered for choosing Congresswoman Geraldine Ferraro of New York as his running mate, the first woman candidate on a major-party presidential ticket), carried only his home state of Minnesota and the District of Columbia.

CONSERVATIVES AND REAGAN

While he implemented their economic policies, Reagan in some ways disappointed ardent conservatives. The administration sharply reduced funding for Great Society antipoverty programs such as food stamps, school lunches, and federal financing of low-income housing. But it left intact core elements of the welfare state, such as Social Security, Medicare, and Medicaid, which many conservatives wished to curtail significantly or repeal. The Reagan era did little to advance the social agenda of the Christian Right. Abortion remained legal, women continued to enter the labor force in unprecedented numbers, and Reagan even appointed the first female member of the Supreme Court, Sandra Day O'Connor. In 1986, in *Bowers v. Hardwick*, in a rare victory for cultural conservatives, the Supreme Court did uphold the constitutionality of state laws outlawing homosexual acts. (In 2003, the justices would reverse the *Bowers* decision, declaring laws that criminalized homosexuality unconstitutional.)

Reagan gave verbal support to a proposed constitutional amendment restoring prayer in public schools but did little to promote its passage. The administration launched a "Just Say No" campaign against illegal drug use. But this failed to halt the spread in urban areas of crack, a potent, inexpensive form of cocaine that produced an upsurge of street crime and family breakdown. Reagan's Justice Department cut back on civil rights enforcement and worked to curtail affirmative action programs. But to the end of Reagan's presidency, the Supreme Court continued to approve plans by private employers and city and state governments to upgrade minority employment.

Figure 26.3 CHANGES IN FAMILIES' REAL INCOME, 1980–1990



The wealthiest American families benefited the most from economic expansion during the 1980s, while the poorest 40 percent of the population saw their real incomes decline. (Real income indicates income adjusted to take account of inflation.)



The drug crack being openly sold on the streets of New York City in 1986.

REAGAN AND THE COLD WAR

In foreign policy, Reagan breathed new life into the rhetorical division of the world into a free West and unfree East. He resumed vigorous denunciation of the Soviet Union—calling it an “evil empire”—and sponsored the largest military buildup in American history, including new long-range bombers and missiles. In 1983, he proposed an entirely new strategy, the Strategic Defense Initiative, based on developing a space-based system to intercept and destroy enemy missiles. The idea was not remotely feasible technologically, and, if deployed, it would violate the Anti-Ballistic Missile Treaty of 1972. But it appealed to Reagan’s desire to reassert America’s worldwide power. He persuaded NATO, over much opposition, to introduce short-range nuclear weapons into Europe to counter Soviet forces. But the renewed arms race and Reagan’s casual talk of winning a nuclear war caused widespread alarm at home and abroad. In the early 1980s, a movement for a nuclear freeze—a halt to the development of nuclear weapons—attracted millions of supporters in the United States and Europe. In 1983, half of the American population watched *The Day After*, a television program that unflinchingly depicted the devastation that would be caused by a nuclear war.

Reagan came into office determined to overturn the “Vietnam syndrome”—as widespread public reluctance to commit American forces overseas was called. He sent American troops to the Caribbean island of Grenada to oust a pro-Cuban government, and he ordered the bombing of Libya in retaliation for the country’s alleged involvement in a terrorist attack on a West Berlin nightclub in which an American died. In 1982, Reagan dispatched marines as a peacekeeping force to Lebanon, where a civil war raged between the Christian government, supported by Israeli forces, and Muslim insurgents. But he quickly withdrew them after a bomb exploded at their barracks, killing 241 Americans. The public, Reagan realized, would support minor operations like Grenada but remained unwilling to sustain heavy casualties abroad.



Reagan generally relied on military aid rather than American troops to pursue his foreign policy objectives. Abandoning the Carter administration's emphasis on human rights, Reagan embraced the idea, advanced in 1979 by neoconservative writer Jeane Kirkpatrick, that the United States should oppose "totalitarian" communists but assist "authoritarian" non-communist regimes. Kirkpatrick became the American ambassador to the United Nations, and the United States stepped up its alliances with Third World anticommunist dictatorships like the governments of Chile and South Africa. The administration poured in funds to combat insurgencies against the governments of El Salvador and Guatemala, whose armies and associated death squads committed flagrant abuses against their own citizens. When El Salvador's army massacred hundreds of civilians in the town of El Mozote in 1981, the State Department denied that the event, widely reported in the press, had taken place.

THE IRAN-CONTRA AFFAIR

American involvement in Central America produced the greatest scandal of Reagan's presidency, the Iran-Contra affair. In 1984, Congress banned military aid to the Contras (derived from the Spanish word for "against") fighting the Sandinista government of Nicaragua, which, as noted earlier, had ousted the American-backed dictator Anastasio Somoza in 1979. In 1985, Reagan secretly authorized the sale of arms to Iran—now involved in a war with its neighbor, Iraq—in order to secure the release of a number of American hostages held by Islamic groups in the Middle East. CIA director William Casey and Lieutenant Colonel Oliver North of the National Security Council set up a system that diverted some of the proceeds to buy military supplies for the Contras in defiance of the congressional ban. The scheme continued for nearly two years.

Hollywood joined enthusiastically in the revived Cold War. The 1984 film Red Dawn depicted a Soviet invasion of the United States.



As in the first part of the twentieth century, the United States intervened frequently in Caribbean and Central American countries during and immediately after the Cold War.

In 1987, after a Middle Eastern newspaper leaked the story, Congress held televised hearings that revealed a pattern of official duplicity and violation of the law reminiscent of the Nixon era. Eleven members of the administration eventually were convicted of perjury or destroying documents, or pleaded guilty before being tried. Reagan denied knowledge of the illegal proceedings, but the Iran-Contra affair undermined confidence that he controlled his own administration.

REAGAN AND GORBACHEV

In his second term, to the surprise of both his foes and supporters, Reagan softened his anticommunist rhetoric and established good relations with Soviet premier Mikhail Gorbachev. Gorbachev had come to power in 1985, bent on reforming the Soviet Union's repressive political system and reinvigorating its economy. The country had fallen farther and farther

behind the United States in the production and distribution of consumer goods, and it relied increasingly on agricultural imports to feed itself. Gorbachev inaugurated policies known as *glasnost* (political openness) and *perestroika* (economic reform).

Gorbachev realized that significant change would be impossible without reducing his country's military budget. Reagan was ready to negotiate. A series of talks between 1985 and 1987 yielded more progress on arms control than in the entire postwar period to that point, including an agreement to eliminate intermediate- and short-range nuclear missiles in Europe. In 1988, Gorbachev began pulling Soviet troops out of Afghanistan. Having entered office as an ardent Cold Warrior, Reagan left with hostilities between the superpowers much diminished. He even repudiated his earlier comment that the Soviet Union was an "evil empire," saying that it referred to "another era."

REAGAN'S LEGACY

Reagan's presidency revealed the contradictions at the heart of modern conservatism. Rhetorically, he sought to address the concerns of the Religious Right, advocating a "return to spiritual values" as a way to strengthen traditional families and local communities. But in some ways, the Reagan Revolution undermined the very values and institutions conservatives held dear. Intended to discourage reliance on government handouts by rewarding honest work and business initiative, Reagan's policies inspired a speculative frenzy that enriched architects of corporate takeovers and investors in the stock market while leaving in their wake plant closings, job losses, and devastated communities. Nothing proved more threatening to local traditions or family stability than deindustrialization, insecurity about employment, and the relentless downward pressure on wages. Nothing did more to undermine a sense of common national purpose than the widening gap between rich and poor.

Because of the Iran-Contra scandal and the enormous deficits the government had accumulated, Reagan left the presidency with his reputation somewhat tarnished. Nonetheless, few figures have so successfully changed the landscape and language of politics. Reagan's vice president, George H. W. Bush, defeated Michael Dukakis, the governor of Massachusetts, in the 1988 election partly because Dukakis could not respond effectively to the charge that he was a "liberal"—now a term of political abuse. Conservative assumptions about the virtues of the free market and the evils of "big government" dominated the mass media and political debates. Those receiving public assistance had come to be seen not as citizens entitled to help in coping with economic misfortune, but as a drain on taxes. During the 1990s, these and other conservative ideas would be embraced almost as fully by President Bill Clinton, a Democrat, as by Reagan and the Republicans.

THE ELECTION OF 1988

The 1988 election seemed to show politics sinking to new lows. Television advertisements and media exposés now dominated political campaigns. The race for the Democratic nomination had hardly begun before the



President Reagan visited Moscow in 1988, cementing his close relationship with Soviet leader Mikhail Gorbachev. They were photographed in Red Square.



Conservatives celebrate the inauguration of George H. W. Bush, January 1989.

front-runner, Senator Gary Hart of Colorado, withdrew after a newspaper reported that he had spent the night at his Washington town house with a woman other than his wife. Both parties ran negative campaigns. Democrats ridiculed the Republican vice-presidential nominee, Senator Dan Quayle of Indiana, for factual and linguistic mistakes. Republicans spread unfounded rumors that Michael Dukakis's wife had burned an American flag during the 1960s. The low point of the campaign came in a Republican television ad depicting the threatening image of Willie Horton, a black murderer and rapist who had been furloughed from prison during Dukakis's term as governor of Massachusetts. Rarely in the modern era had a major party appealed so blatantly to racial fears. Before his death in 1991, Lee Atwater, who masterminded Bush's campaign, apologized for the Horton ad.

Although he did not match Reagan's landslide victory of 1984, Bush achieved a substantial majority, winning 54 percent of the popular vote. Democratic success in retaining control of Congress suggested that an electoral base existed for a comeback. But this would only occur if the party fashioned a new appeal to replace traditional liberalism, which had been eclipsed by the triumph of conservatism.

SUGGESTED READING

BOOKS

- Adler, William M. *Mollie's Job: A Story of Life and Work on the Global Assembly Line* (2000). Tracks how a manufacturing job moved from the North to the South and eventually out of the country, and what happened to the workers who held it.
- Allitt, Patrick. *Religion in America since 1945* (2003). A survey of the main trends of religious development since World War II.
- Anderson, Terry H. *The Pursuit of Fairness: A History of Affirmative Action* (2004). A careful study of the origins and development of affirmative action policies.

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- Dallek, Matthew. *The Right Moment: Ronald Reagan's First Victory and the Decisive Turning Point in American Politics* (2000). An examination of the causes of Reagan's election in 1980 and its impact on American politics.
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- Himmelman, Jerome L. *To the Right: The Transformation of American Conservatism* (1990). Studies the development of conservative ideas since World War II.
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- Kutler, Stanley I. *The Wars of Watergate: The Last Crisis of Richard Nixon* (1990). The most thorough analysis of the Watergate scandal that brought down President Nixon.
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- Mathews, Donald G., and Jane S. De Hart. *Sex, Gender, and the Politics of ERA* (1990). An in-depth examination of the debate over the Equal Rights Amendment and why its opponents were successful.
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- Schulman, Bruce J. *The Seventies: The Great Shift in American Culture, Society, and Politics* (2001). A survey of the numerous political, social, and economic changes that took place during the 1970s.
- Stein, Judith. *Running Steel, Running America: Race, Economic Policy, and the Decline of Liberalism* (1998). Examines the decline of the American steel industry and how the Cold War and presidential policies from Eisenhower to Carter contributed to it.
- Wilentz, Sean. *The Age of Reagan: A History, 1974–2008* (2008). Explores how Ronald Reagan set the terms of public debate during and after his presidency.

WEBSITES

- China and the United States: From Hostility to Engagement: www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB19/
- National Security Archive: www.gwu.edu/~nsarchiv/



CHAPTER REVIEW

REVIEW QUESTIONS

1. Which of Nixon's domestic policies did other conservatives oppose, and why?
2. How did the Burger Court modify but not overturn the rights revolution of the 1960s?
3. What were the main features of Nixon's policy of "realism" in dealing with China and the Soviet Union?
4. Describe the basic events and the larger significance of the Watergate scandal.
5. What were the major causes for the decline of the U.S. economy in the 1970s?
6. Compare Carter's and Reagan's explanations for the severe recession of the late 1970s.
7. Identify the groups and their agendas that combined to create the new conservative base in the 1970s and 1980s.
8. What impact did Ronald Reagan have on the American political scene?
9. Why was there growth in economic inequality in the 1980s?



FREEDOM QUESTIONS

1. How did conservatives introduce competing definitions of freedom into the fights for women's rights, especially into the struggle over the Equal Rights Amendment and abortion?
2. What impact did the Reagan Revolution have on the meanings of American freedom?
3. Explain how its supporters defended Reaganomics as a promotion of human liberty.
4. Assess the decisions of the Burger Court on the issue of affirmative action.



KEY TERMS

"block grants" (p. 1084)

Family Assistance Plan (p. 1084)

San Antonio Independent School District v. Rodriguez (p. 1086)

"reverse discrimination" (p. 1086)

Regents of the University of California v. Bakke (p. 1086)

Title IX (p. 1087)

Nixon and China (p. 1089)

Strategic Arms Limitation Talks (p. 1089)

détente (p. 1089)

My Lai massacre (p. 1091)

War Powers Act (p. 1091)

stagflation (p. 1095)

misery index (p. 1095)

the Nixon pardon (p. 1096)

Helsinki Accords (p. 1097)

Camp David peace treaty (p. 1099)

Iran hostage crisis (p. 1100)

neoconservatives (p. 1101)

Reagan Revolution (p. 1107)

Reaganomics (p. 1111)

Iran-Contra affair (p. 1115)

REVIEW TABLE

Triumph of Conservatism

Event	Dates	Background	Significance
Sharon Statement	1960	Platform of the Young Americans for Freedom	Conservative students emerged as a force in politics
Goldwater campaign	1964	Barry Goldwater (R) lost presidential election to Lyndon Johnson (D)	His victory in the southern states identified a growing conservative electorate frustrated with civil rights and big government
Equal Rights Amendment battle	1972–1982	Ten-year battle over ratification of the ERA by the states	Conservatives who saw the ERA as anti-family succeeded in its defeat
Moral Majority	1979	Organized by Jerry Falwell to wage a war against sin	It was used as a vehicle for political influence, helping elect Ronald Reagan
Sagebrush Rebellion	1979	Bill passed by Nevada legislature denouncing federal control over land	Grassroots initiative that argued the states, not D.C., ought to determine grazing rights, mining development, and land use
Reagan election	1980	Ronald Reagan (R) defeated Jimmy Carter (D)	His overwhelming victory marked the high tide of conservatism
Air traffic controllers' strike	1981	ATC strikers' demands go unmet and all are fired who did not return to work	Ronald Reagan's actions inspired other employers to take anti-union offensives
<i>Bowers v. Hardwick</i>	1986	Held that state laws outlawing homosexual acts were constitutional	Victory for cultural conservatives