

THE TRIUMPH OF CONSERVATISM

1969 – 1988

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 American aims 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 that emerged in the 1960s, as well as the revival of conservatism in the midst of an era known for radicalism. Goldwater’s campaign helped to crystallize 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 counter- ing their image as upper-crust elitists.

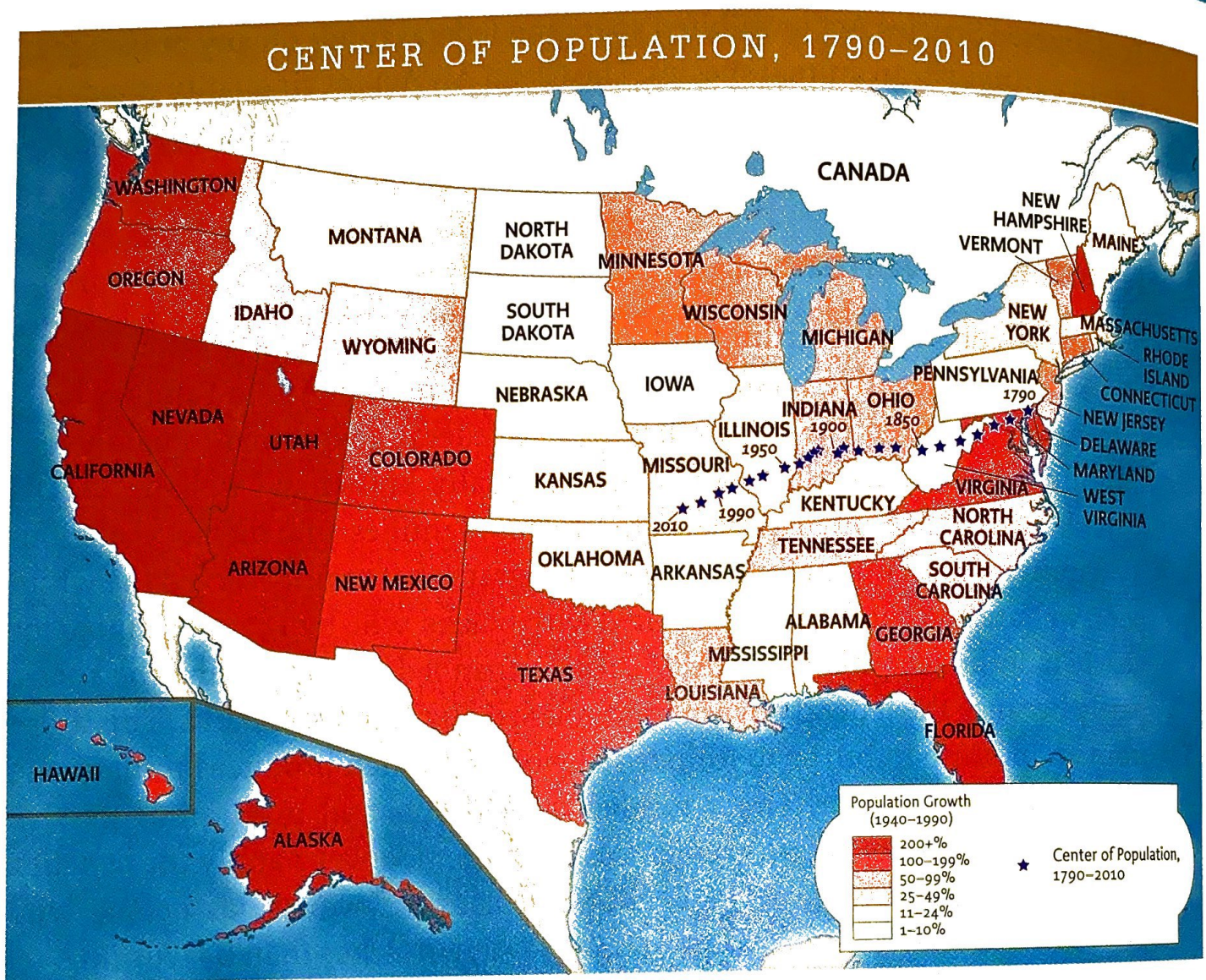
The second half of the 1960s and the 1970s witnessed pivotal developments that reshaped American politics—the breakup of the political coalition forged by Franklin D. Roosevelt; an economic crisis that traditional liberal remedies seemed unable to solve; a shift of population and economic resources to 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

• CHRONOLOGY •

1968	Oil discovered in Alaska My Lai massacre
1970	U.S. invades Cambodia
1971	Pentagon Papers published U.S. goes off gold standard
1972	Nixon travels to the People’s Republic of China Congress passes the Equal Rights Amendment for ratification SALT is signed Congress approves Title IX
1973	Paris Peace Accords end U.S. involvement in Vietnam War CIA-aided Chilean coup War Powers Act
1974	Nixon resigns in Watergate scandal
1975	Collapse of South Vietnam- ese government
1976	Jimmy Carter elected
1978	<i>Regents of the University of California v. Bakke</i> Camp David Accords signed between Israel and Egypt
1979	Three Mile Island accident Sagebrush Rebellion Sixty-six Americans taken hostage in Iran
1980	Ronald Reagan elected
1981	Air traffic controllers’ strike
1983	Strategic Defense Initiative
1985– 1987	Iran-Contra affair
1986	<i>Bowers v. Hardwick</i>



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 electricians, 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 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 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**. Even as such programs quickly spread from blacks to encompass women, Latinos, Asian-Americans, and Native Americans, conservatives demanded that the Supreme Court invalidate them all. 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. *Bakke* continues to be the standard by which affirmative action programs are judged today.

The Continuing Sexual Revolution

As noted in the previous chapter, the social activism associated with the 1960s continued in the following decade. Both right and left took part in grassroots movements, ranging from campaigns against nuclear weapons and nuclear power plants and struggles to aid migrant workers to battles to stop the court-ordered busing of public school children and movements against abortion rights. But the most profound changes in American life arose from 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. 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. (Of course, many of these women eventually did marry and have children. But unlike their mothers of the "baby-boom" generation, they postponed these decisions to pursue careers.)

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 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." 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 Cold War 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.

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



Tear gas envelops the campus as members of the Ohio National Guard prepare to fire on student demonstrators at Kent State University. Shortly after this photo was taken, four students lay dead.

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, partly because the policy of exempting students from the draft had ended. 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 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. For most of the war, college students had received exemptions. As a result, the army was predominantly composed of working-class whites and members of racial minorities. Of the 2.5 million Americans who served in the military during the war, around 80 percent came from poor and working-class families. African-Americans accounted for one-eighth of American casualties in Vietnam.

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 of American troops 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.) While hardly typical of the behavior of most servicemen, My Lai further undermined public support for the war.

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

many hundreds of millions of dollars and diverted funds from needs at home. 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. The divisions caused by the war continued in debates over its legacy that persisted for many years. The war's supporters blamed critics at home for undermining a successful and winnable military effort. Others took the lesson that the United States should be extremely reluctant to commit its armed forces overseas—an outlook sometimes called the **Vietnam Syndrome**.

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 unlived 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.

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, Archibald Cox, a special prosecutor the president had reluctantly appointed to investigate the Watergate affair, demanded copies. In October 1973, Nixon proposed to allow Senator John C. Stennis of Mississippi to review the tapes, rather than release them. When Cox refused, Nixon fired him, whereupon Attorney General Elliot Richardson resigned in protest. These events, known as the Saturday Night Massacre, further undermined Nixon’s standing. The Supreme Court unanimously ordered Nixon to provide the tapes—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 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. For the only time in the twentieth century, other than the 1930s, the average American ended the 1970s poorer than when the decade began. 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.

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. During the **oil embargo**, 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

Table 26.1 The Misery Index, 1970–1980

Year	Rate of Inflation (%)	Rate of Unemployment (%)	Misery Index (%)
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

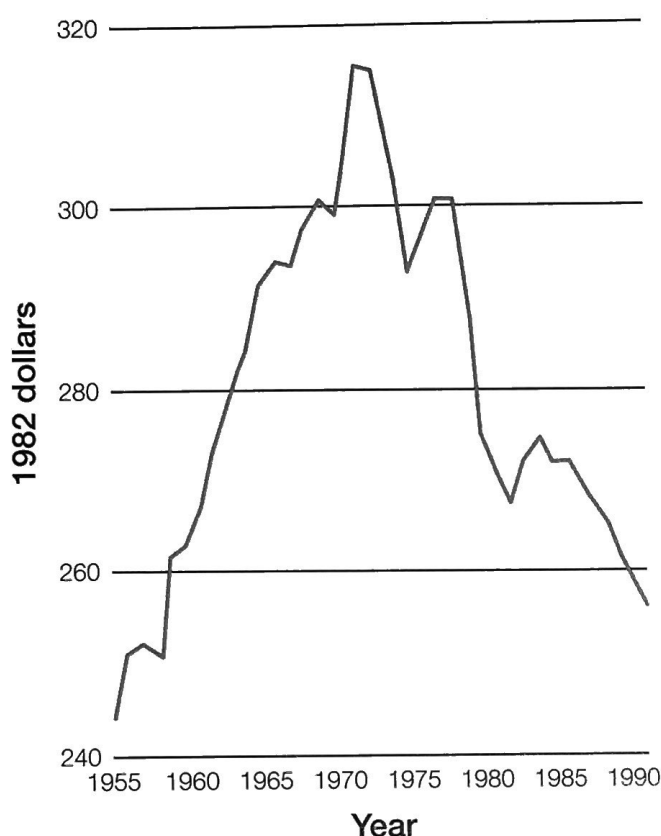
country. Coal production in Wyoming boomed. Western energy companies benefited from the high oil prices set by OPEC—the Organization of Petroleum Exporting Countries.

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 percent 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

FIGURE 26.1 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.

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. Of popula-

tion 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 in 1973, real wages began to fall. 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 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. 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

The Democratic Party found itself ill-equipped to deal with the economic crisis. The social upheavals of the 1960s had led to the emergence of politicians known as the New Democrats. Representing affluent urban and suburban districts, they viewed issues like race relations, gender equality, the environment, and improving the political process as more central than traditional economic matters. 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 enacted **deregulation** in the trucking and airline industries. Anticipating what would come to be called the supply-side economics of the Reagan administration, Carter in 1978 inaugurated tax cuts for wealthier Americans in the hope that this would stimulate investment and encourage economic growth. In 1980, with Carter’s approval, Congress repealed usury laws—laws that limit how much interest lenders can charge—allowing credit card companies to push their interest rates up to 20 percent or even higher. 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, 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 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. Amnesty International pressured the United States to try to do something to promote human rights abroad. In 1977, Amnesty International received the Nobel Peace Prize, an indication of the rapid emergence of human rights as an international issue.

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.

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, the **Camp David Accords**, 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 Soviets, which reduced the number of missiles, bombers, and nuclear warheads.

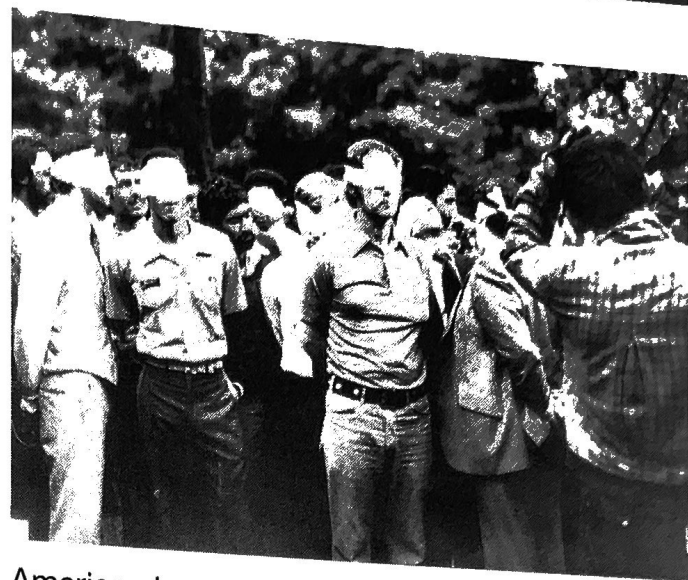
Both conservative Cold Warriors and foreign policy “realists” severely criticized Carter’s emphasis on human rights. He himself found it impossible to translate rhetoric into action. He criticized American arms sales to the rest of the world. But with thousands of jobs and billions of dollars in corporate 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



American hostages being paraded by their Iranian captors on the first day of the occupation of the American embassy in Tehran in 1979. Television gave extensive coverage to the plight of the hostages, leading many Americans to view the Carter administration as weak and inept.

allowed the deposed shah to seek medical treatment in the United States, Khomeini's followers invaded the American embassy in Tehran and seized sixty-six hostages. Fourteen people (women, African-American men, and a white man in ill health) were soon released, leaving fifty-two captives. 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.

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.

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 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.

Of course, there was nothing new about the involvement of churches in political life. There is a long tradition in American history of moral stewardship—devout Christians taking on responsibility for social reform and using political means to combat what they perceive as individual or collective sins. During the 1960s, many members of the burgeoning evangelical churches of the suburbs, South, and West had become more and more alienated from a culture that seemed to them to trivialize religion and promote immorality. Evangelicals of different denominations increasingly came to feel that they had more in common with each other than with more liberal coreligionists. 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.

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."

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 Woman's Party, the ERA had been revived by second-wave feminists. In the wake of the rights revolution, the amendment's affirmation that "equality of rights under the law" could not be abridged "on account of sex" hardly seemed controversial. In 1972, with broad bipartisan support, 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 acrimonious 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



A women's liberation march in Detroit in 1970 highlights the issue of equal pay for equal work. At the time, women earned less than men in virtually every category of employment.

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 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. Today, most women 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. The 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 government, thus making new social programs financially impossible.

Conservatism in the West

The West has always both reflected and contributed to national political trends. In the 1970s and 1980s it offered fertile soil for various strands of conservatism. The population movements of previous decades stimulated this development. Many southerners had left their homes for southern California, bringing with them their distinctive form of evangelical Christianity. Increasingly alienated from a Democratic Party that embraced the rights revolution and with it, evangelicals felt, the decline of traditional values, they gravitated to the California Republican Party, from which emerged national Republican leaders such as Richard Nixon and Ronald Reagan. California conservatives also embraced the new anti-tax mood.

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.

There have always been voices in the West insisting that the region has a colonial relationship with the rest of the country. They point to federal ownership of large swaths of western land, and the dependence of western development on investment from the East. In the late nineteenth century, this view helped give rise to western Populism, when the targets of protest were eastern banks and railroad companies, as well as a national economic policy that favored these corporations. Nearly a century later it became associated with a conservative upsurge known as the Sagebrush Rebellion (the name given to a

What were the tools of the rise of conservatism in the 1970s?

bill passed by the Nevada legislature in 1979) directed at the federal government. The roots of this "rebellion" lie as far back as the 1920s, when the U.S. Forest Service announced plans to increase grazing fees and mineral rights in national forests and other public lands. Nevada's ranchers went to court to block these fees but were rebuffed by the Supreme Court. In the 1970s, new environmental regulations won fresh recruits to the movement. The Clean Air Act alarmed western coal operators. Westerners who believed the environmental policies of the Carter administration were closing the public domain to exploitation eagerly supported Ronald Reagan's presidential candidacy.

Using the language of freedom from government tyranny, leaders in western states 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 anti-government sentiment.

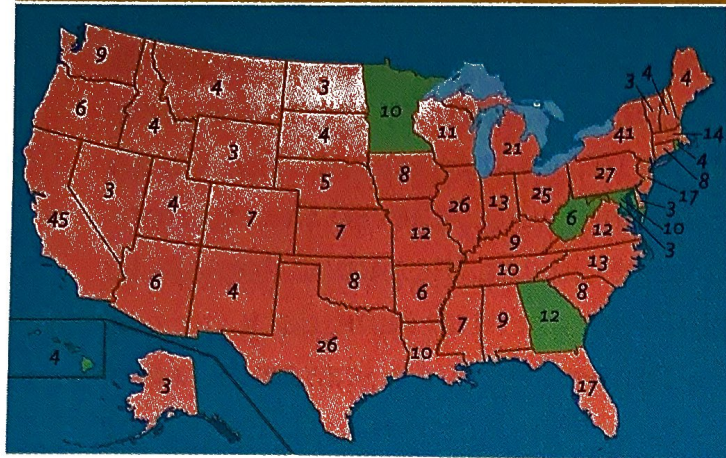
The Election of 1980

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

THE PRESIDENTIAL ELECTION OF 1980



Party	Candidate	Electoral Vote (Share)	Popular Vote (Share)
Republican	Reagan	489 (91%)	43,901,812 (51%)
Democrat	Carter	49 (9%)	35,483,820 (41%)
Independent	Anderson		5,720,437 (7%)
Other candidates			1,155,593 (1%)

president as an independent, received about 7 percent of the popular vote, Reagan won only a bare majority, although he commanded an overwhelming 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 govern-

ment 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. 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. He was an excellent public speaker, and 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 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.

Reagan’s Economic Policies

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

From Barry Commoner, *The Closing Circle* (1971)

Environmentalism, a movement born in the 1960s, expanded rapidly in the following decade. In *The Closing Circle*, Barry Commoner, a biologist later called the Paul Revere of the movement, warned that technological development and the pursuit of economic growth regardless of consequences were creating an environmental crisis. He called on Americans to alter their lifestyles to bring them into harmony with the “ecosphere”—the natural environment within which people live.

The environment has just been rediscovered by the people who live in it. In the United States the event was celebrated in April 1970, during Earth Week. It was a sudden, noisy awakening. School children cleaned up rubbish; college students organized new demonstrations; determined citizens recaptured the streets from the automobile, at least for a day. Everyone seemed to be aroused to the environmental danger and eager to do something about it.

They were offered lots of advice. Almost every writer, almost every speaker, on the college campuses, in the streets and on television and radio broadcasts, was ready to fix the blame and pronounce a cure for the environmental crisis.

Some blamed pollution on the rising population. . . . Some blamed man's innate aggressiveness. . . . Having spent some years in the effort simply to detect and describe the growing list of environmental problems—radioactive fallout, air and water pollution, the deterioration of the soil—and in tracing some of their links to social and political processes, the identification of a single cause and cure seemed a rather bold step. . . .

Any living thing that hopes to live on the earth must fit into the ecosphere or perish. The environmental crisis is a sign that the finely sculpted fit between life and its surroundings has begun to corrode. As the links between one living thing and another, and between all of them and their surroundings, begin to break down, the dynamic interactions that sustain the whole have begun to falter and, in some places, stop. . . .

We have broken out of the circle of life, converting its endless cycles into man-made, linear events; oil is taken from the ground, distilled into fuel, burned in an engine, converted thereby into noxious fumes, which are emitted into the air. At the end of the line is smog. Other man-made breaks in the ecosphere's cycle spew out toxic chemicals, sewage, heaps of rubbish—the testimony to our power to tear the ecological fabric that has, for millions of years, sustained the planet's life.

From Richard E. Blakemore, *Report on the Sagebrush Rebellion* (1979)

The rapid growth of the environmentalist movement sparked a conservative reaction, especially in the western states. What came to be called the Sagebrush Rebellion denounced federal control of large areas of western land as well as new

environmental regulations that, the “rebels” claimed, threatened energy production and long-standing grazing rights. Richard E. Blakemore, a member of the Nevada state senate, offered this explanation of the outlook of many westerners.

The “sagebrush rebellion” is a catchy but somewhat misleading term used to describe the western states’ demands for a greater role in determining the future of the west. Unlike the dictionary definition, in this rebellion there is no armed or unlawful resistance to government. Neither is western land desolate or worthless as the term “sagebrush” connoted. Moreover, if much of the land in the west ever was considered of little worth, the need for energy has changed that.

Statistics show that much of the west is controlled by the federal government. . . . On average, the federal government controls 52.6 percent of the land in the 12 western states. . . . For many years, the public domain was open to ranching, mining, and outdoor recreation. But a number of federal acts, passed to protect and conserve the environment, have closed great parts of the public domain to traditional uses. . . .

The west today is at the confluence of two major movements—that for protection of the environment and that for production of energy. To a great extent, the success of the attempt for U.S. energy independence depends on resources of the west. In addition, the west is looked to for increased agricultural production and for its reserves of minerals necessary to modern industry. The environmental movement prompted the passage of federal legislation aimed at protecting the environment and maintaining great portions of the country in a natural state. Among the major environmental acts of the past 15 years are the Wilderness Act, the National Environmental Protection Act, the Federal Land Policy Management Act, the Wild and Scenic Rivers Act, and the National Forest Management Act.

The genesis of the sagebrush rebellion can be found in the conflict between the desires to protect and preserve the environment and the demands for food, minerals, and energy from the west. . . .

While the particular issues on which the sagebrush rebellion are based are more common in the west, the principles behind the movement are national in scope. . . .

Because of the federal omnipresence in the west, westerners have reached the crisis first. But reversing the trend towards centralization that threatens the economy, our lands, and our freedoms is of concern to all Americans.

QUESTIONS

1. *How and why does Commoner ask Americans to rethink their definition of freedom?*
2. *What elements of environmental policy does Blakemore see as a threat to “our freedoms”?*
3. *How do the two writers differ in their visions of the future of American society?*

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. By the end of Reagan's presidency in 1989, the real gross domestic product had risen by

25 percent and unemployment was down to 5.5 percent. These were significant accomplishments.

The Problem of Inequality

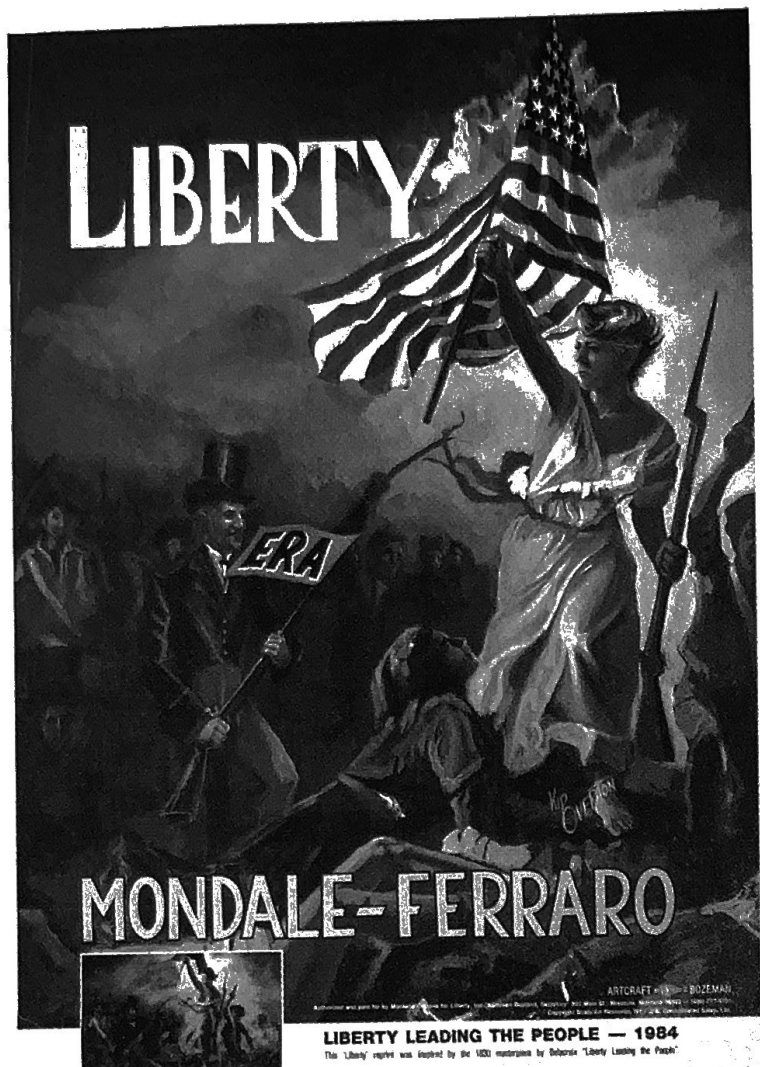
Together, Reagan's policies, rising stock prices, and deindustrialization resulted in a considerable rise in economic inequality. By the mid-1990s, the richest 1 percent of Americans owned 40 percent of the nation's wealth, twice their share twenty years earlier. Most spent their income not on productive 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 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 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



Loosely modeled on the French artist Eugène Delacroix's famous 1830 painting *Liberty Leading the People* (reproduced at the lower left), this campaign poster from 1984 depicts Geraldine Ferraro, the first woman nominated for vice president by a major party, as a modern-day rebel. She overshadows the Democratic presidential candidate, Walter Mondale, shown carrying a rifle emblazoned with "ERA," for the Equal Rights Amendment.

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 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.

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.

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. 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” noncommunist 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.

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

THE UNITED STATES IN THE CARIBBEAN AND CENTRAL AMERICA, 1954-2004



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.

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 further and further 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).



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

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. 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 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.

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 occur only if the party fashioned a new appeal to replace traditional liberalism, which had been eclipsed by the triumph of conservatism.

CHAPTER REVIEW

REVIEW QUESTIONS

1. Why were social issues associated with the sexual revolution so contested by all sides?