

31

CHAPTER

Confronting Global and National Dilemmas 1989 to the Present

AMERICA IN THE GLOBAL ECONOMY

The Rise of the European Union and China
An Era of Globalization
Revolutions in Technology

POLITICS AND PARTISANSHIP IN A NEW ERA

An Increasingly Plural Society
Clashes over "Family Values"
The Clinton Presidency, 1993–2001
Post–Cold War Foreign Policy

INTO A NEW CENTURY

The Ascendance of George W. Bush
Violence Abroad and Economic Collapse at Home
The Obama Presidency

On the morning of September 11, 2001, two commercial airliners were deliberately flown into the World Trade Center in lower Manhattan. Millions of Americans, and many more people worldwide, watched live on television and the Internet as the towers burned and collapsed. Simultaneously, a third plane was flown into the Pentagon, and a fourth hijacked plane crashed in rural Pennsylvania. It took Federal Bureau of Investigation officials only a few hours to determine the identity of most of the hijackers, as well as the organization behind the murderous attacks—**Al Qaeda**.

The attacks were made possible by the new era of globalization. Of the nineteen terrorists involved in the hijackings, fifteen were from Saudi Arabia, two were from the United Arab Emirates, one was from Egypt, and one was from Lebanon. Many had trained in Afghanistan, in guerrilla warfare camps operated by Osama bin Laden. Four had gone to flight school in the United States itself. Several had lived and studied in Germany. They communicated with one another and with planners in Afghanistan through e-mail, Web sites, and cell phones. Al Qaeda sympathizers could be found among Muslims from Indonesia to Algeria. The most conspicuous crime of the twenty-first century, which left 2,900 people dead and sent waves of shock and anxiety through the American public, would have been impossible without the openness and interconnectivity that are central features of globalization.

Messages of sympathy and support poured into the United States from nearly every nation. Citizens of fifty-three different countries had perished in the World Trade Center, itself a symbol of the global financial industries. The world, quite literally, stood in shock. The emergence in the Middle East of a radical Muslim movement willing to use terrorism to inflict major damage on the United States and the West testified to the altered realities of global politics. The simple Cold War duality—communism versus capitalism—had for decades obscured regional, ethnic, and religious loyalties and conflicts. Those loyalties and conflicts moved to center stage in an era of globalization.

For Americans, the period between the end of the Cold War and our own day has been defined by twin dilemmas. The first relates to globalization. How would the United States engage in global trade and commerce? How would it relate to emerging nations? How should it confront radical terrorists? The second dilemma relates to domestic politics and the economy. In an era of conservative political dominance, how would the nation manage its cultural conflicts and ensure economic opportunity and security for its citizens? As "profound and powerful forces" shook the world, these were, as the chapter title suggests, Americans' dilemmas in a global society.

IDENTIFY THE BIG IDEA

How has globalization affected American politics, economics, and society?



Energy and the Environment At the dawn of the twenty-first century, few issues were more critical, in the United States and across the globe, than energy and the environment. This wind farm is an example of the search for non-fossil sources of new energy, a search that is among the many challenges facing the globalized world of our century. Raphael GAILLARDE/Gamma-Rapho via Getty Images.

America in the Global Economy

On November 30, 1999, more than 50,000 protesters took to the streets of Seattle, Washington, immobilizing a wide swath of the city's downtown. Police, armed with pepper spray and arrayed in riot gear, worked feverishly to clear the clogged streets, get traffic moving, and usher well-dressed government ministers from around the world into a conference hall. Protesters jeered, chanted, and held hundreds of signs and banners aloft. A radical contingent joined the otherwise peaceful march, and a handful of them began breaking the windows of the chain stores they saw as symbols of global capitalism: Starbucks, Gap, Old Navy.

What had aroused such passion in the so-called Battle of Seattle? **Globalization.** The vast majority of Americans never surged into the streets, as had the Seattle protesters who tried to shut down this 1999 meeting of the **World Trade Organization (WTO)**, but no American by the late 1990s could deny that developments in the global economy reverberated at home. In that decade, Americans rediscovered a long-standing truth: the United States was not an island, but was linked in countless different ways to a global economy and society. Economic prosperity in the post-World War II decades had obscured for Americans this fundamental reality (Figure 31.1).

Globalization saw the rapid spread of capitalism around the world, huge increases in global trade and commerce, and a diffusion of communications technology, including the Internet, that linked the world's

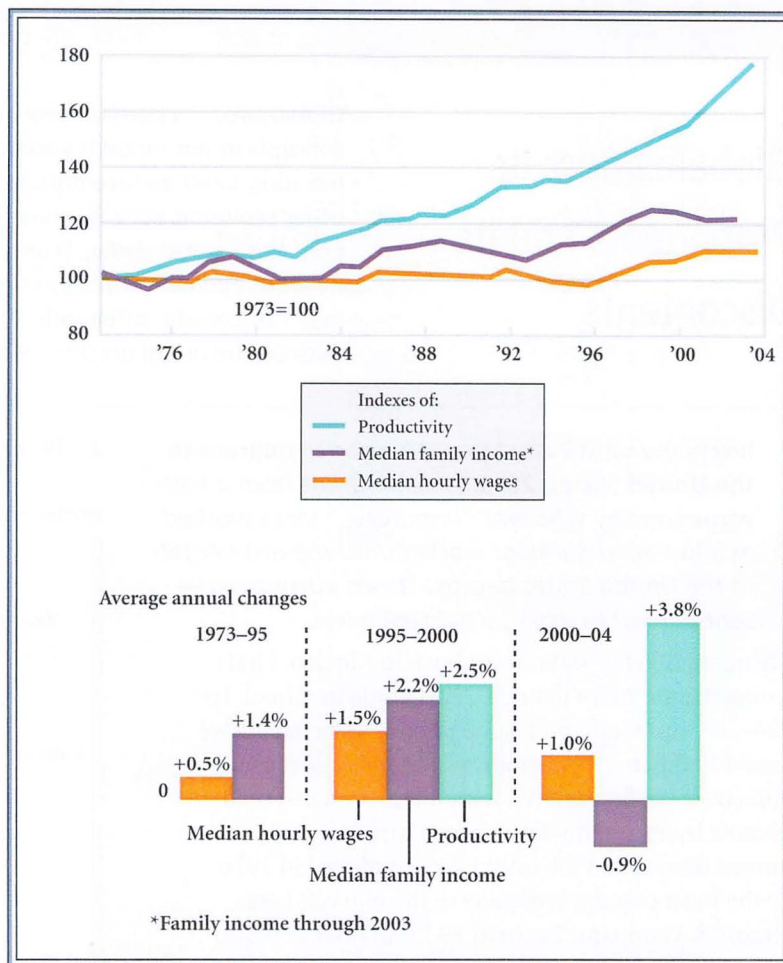


WTO Demonstration, Seattle, 1999

In November 1999, an estimated 50,000 to 100,000 people from many states and foreign nations staged an effective protest at a World Trade Organization (WTO) meeting in Seattle. The goals of the protesters were diffuse; many feared that the trend toward a system of free (capitalist-run) trade would primarily benefit multinational corporations and would hurt both developing nations and the working classes in the industrialized world. Protests have continued at subsequent meetings of the WTO and the World Bank. Hector Mata/AFP/Getty Images.

FIGURE 31.1
Productivity, Family Income, and Wages, 1970–2004

This chart tells a complex and not altogether happy story. The median hourly wages of American workers (adjusted for inflation) stagnated between 1970 and 1995. The rise in median family income reflected the increasing proportion of two-earner families, as more married women entered the workforce. The dramatic increases in productivity did not lead to higher wages for workers. Rather, businesses used those gains either to cut prices to compete in the global marketplace or to reward owners, shareholders, and, particularly, corporate executives.



people to one another in ways unimaginable a generation earlier (Thinking Like a Historian, p. 1006). Suddenly, the United States faced a dizzying array of opportunities and challenges, both at home and abroad. “Profound and powerful forces are shaking and remaking our world,” said a young President Bill Clinton in his first inaugural address in 1993. “The urgent question of our time is whether we can make change our friend and not our enemy.”

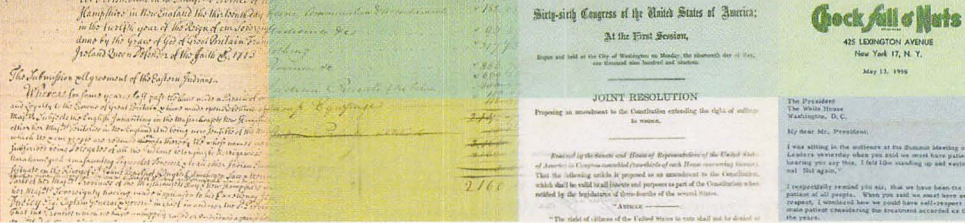
An additional question remained, however. In whose interest was the global economy structured? Many of the Seattle activists took inspiration from the five-point “Declaration for Global Democracy,” issued by the human rights organization Global Exchange during the WTO’s Seattle meeting. “Global trade and investment,” the declaration demanded, “must not be ends in themselves but rather the instruments for achieving equitable and sustainable development, including protections for workers and the environment.” The declaration also addressed inequality among nations, calling attention to who benefitted from globalization and who did not.

The Rise of the European Union and China

During the Cold War, the United States and the Soviet Union dominated the global balance of power. These two superpowers oversaw what observers called a bipolar world — two powerful poles, one capitalist and the other communist, around which global geopolitics were organized. Since the early 1990s, however, a multipolar world has emerged — with centers of power in Europe, Japan, China, and the United States, along with rising regional powers such as India and Brazil (America Compared, p. 1008).

In 1992, the nations of Western Europe created the European Union (EU) and moved toward the creation of a single federal state, somewhat like the United States. By the end of the 1990s, the European Union embraced more than twenty countries and 450 million people — the third-largest population in the world, behind China and India — and accounted for a fifth of all global imports and exports. In 2002, the EU introduced a single currency, the euro, which soon rivaled

THINKING LIKE A HISTORIAN



Globalization: Its Proponents and Its Discontents

Globalization is perhaps one of the most commonly used, yet least understood, concepts in our modern vocabulary. This chapter has explored how, while there has long been an international, or global, dimension to trade, migration, and other economic activity, there is nevertheless something distinct about the post-Cold War global order. Economic integration and communication networking have created new opportunities for millions of people. Yet those same processes may not benefit all equally. The following documents offer different perspectives on the broad process called globalization.

1. Interview with Petra Mata, Mexican immigrant to the United States, 2003. *An immigrant from a low-wage country who was “insourced,” Mata worked as a low-paid garment worker until she lost her job in the United States because it was outsourced—sent abroad to workers paid even less.*

My name is Petra Mata. I was born in Mexico. I have completed no more than the sixth grade in school. In 1969, my husband and I came to the U.S. believing we would find better opportunities for our children and ourselves. We first arrived without documents, then became legal, and finally became citizens. For years I moved from job to job until I was employed in 1976 by the most popular company in the market, Levi Strauss & Company. I earned \$9.73 an hour and also had vacation and sick leave. Levi’s provided me and my family with a stable situation, and in return I was a loyal employee and worked there for fourteen years.

On January 16, 1990, Levi’s closed its plant in San Antonio, Texas, where I had been working, leaving 1,150 workers unemployed, a majority of whom were Mexican-American women. The company moved its factory to Costa Rica. . . .

As a result of being laid off, I personally lost my house, my method of transportation, and the tranquility of my home. My family and I had to face new problems. My husband was forced to look for a second job on top of the one he already had. He worked from seven in the morning to six at night. Our reality was very difficult. At that time, I had not the slightest idea what free trade was or meant. . . .

Our governments make agreements behind closed doors without participation from the working persons who are most affected by these decisions—decisions that to my knowledge only benefit large corporations and those in positions of power.

2. iPhone global supply chain figure, 2011.

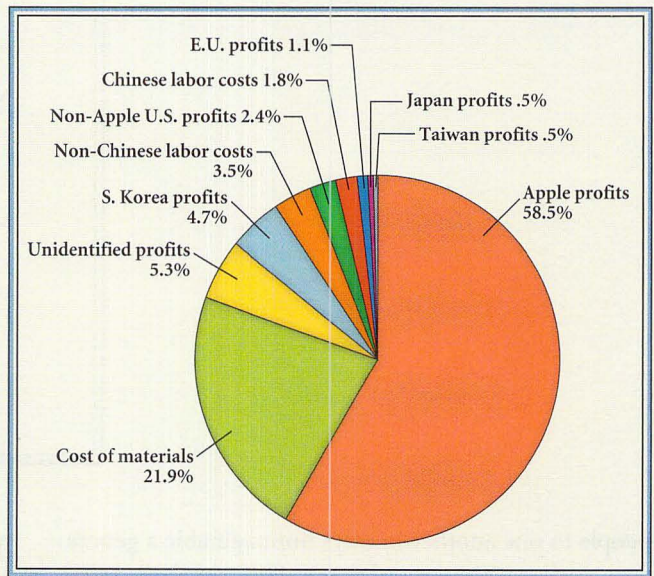


FIGURE 31.2

3. Seattle Chapter, National Lawyers Guild, “Bringing in an Undemocratic Institution Brings an Undemocratic Response,” 2000.

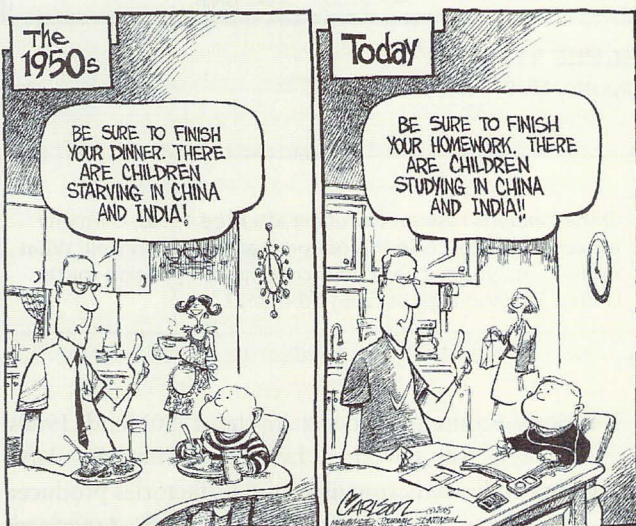
Many of the businesses that most promote the WTO [World Trade Organization] and its allied institutions rely on undemocratic practices to promote their business interest. In recent years these policies have included not only monopolistic business practices but also outright interference with local governments. Frequently, to promote the interests of business, a militaristic type of government is either promoted, or even created. The effects these governments and their policies have on the citizenry of these nations are disastrous. Farms and forests are ruined and denuded. Low cost toxic waste dumps are created near population centers to service skyrocketing debts. . . .

The WTO was nominally chartered as a dispute resolution organization. The problem is it is an organization with no real oversight or accountability, and a process that favors the most powerful corporations.

4. World Trade Organization press release, 2000.

- Extreme poverty is a huge problem. 1.2 billion people survive on less than a dollar a day. A further 1.6 billion, more than a quarter of the world's population, make do with one to two dollars a day.
- To alleviate poverty, developing economies need to grow faster, and the poor need to benefit from this growth. Trade can play an important part in reducing poverty, because it boosts economic growth and the poor tend to benefit from that faster growth.
- The study finds that, in general, living standards in developing countries are not catching up with those in developed countries. But some developing countries are catching up. What distinguishes them is their openness to trade. The countries that are catching up with rich ones are those that are open to trade; and the more open they are, the faster they are converging.

5. Stuart Carlson, political cartoon from the *Milwaukee Journal-Sentinel*, 2005.



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6. Former president Bill Clinton, speech at Guildhall, London, 2006.

I spent a lot of time working on globalization when I was president, coming to terms with the fundamental fact of interdependence that goes far beyond economics: open border, easy travel, easy immigration, free flow of money as well as people, products, and services. I tried to figure out how to maximize the dynamism of global interdependence and still broaden its impact in terms of economics and opportunity. The one thing that I am quite sure of is that interdependence is not a choice, it's not a policy, it is the inevitable condition of our time. So, divorce is not an option. . . .

Therefore, the mission of the moment clearly is to build up the positive and reduce the negative forces of global interdependence in a way that enables us to keep score in the right way. Are people going to be better off, will our children have a better chance, will we be more united than divided?

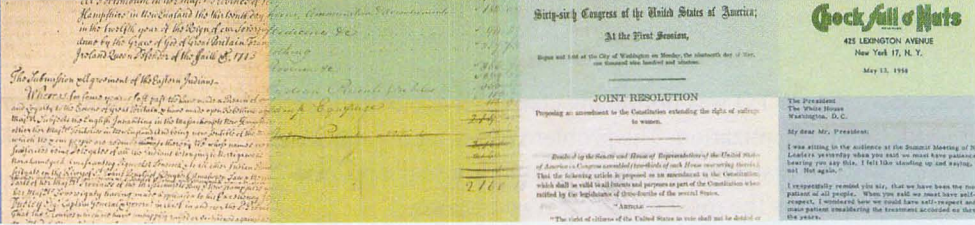
Sources: (1) From *Shafted: Free Trade and America's Working Poor*, by Christine Ahn (Food First Books, 2003). Reprinted by permission of the Institute for Food and Development Policy, 398 60th Street, Oakland, CA 94618.; (2) Kenneth L. Kraemer, Greg Linden, and Jason Dedrick, "Capturing Value in Global Networks: Apple's iPad and iPhone" (Paul Merage School of Business, University of California, Irvine, July 2011). Used by permission of the authors; (3) Seattle Chapter, National Lawyers Guild, "Bringing in an Undemocratic Institution Brings an Undemocratic Response," July 5, 2000, ii, 5; (4) WTO press release, June 13, 2000, quoting a WTO Special Study No. 5, "Trade, Income Disparity, and Poverty," June 2000. Used by permission of the World Trade Organization; (6) collegeofpublicspeaking.co.uk/Clinton-London-2006.html.

ANALYZING THE EVIDENCE

1. Free trade means that goods can move between countries without restriction or taxation (such as tariffs or duties). Compare sources 1, 3, 5, and 6. How do these different sources explain the effects of freer trade across the globe? How would you interpret the WTO's optimism about free trade alongside Petra Mata's personal experience of displacement?
2. How is increased global communication important to the trade relationships described in source 2? According to source 4, what are some other effects associated with the trade relationships shown here?
3. What tension in globalization is the cartoonist in source 5 attempting to capture? What kind of change over time has the cartoonist identified?

PUTTING IT ALL TOGETHER

Based on this chapter's discussion of globalization, and using the above documents, write an essay in which you examine the economic effects of recent global integration. In particular, use your essay to define globalization and to outline some of its potential positive and negative effects.



Global Trade, 1960–2009

One of the major consequences of economic globalization is an increase in trade among nations. The figures below show imports and exports for four of the world's largest economies.

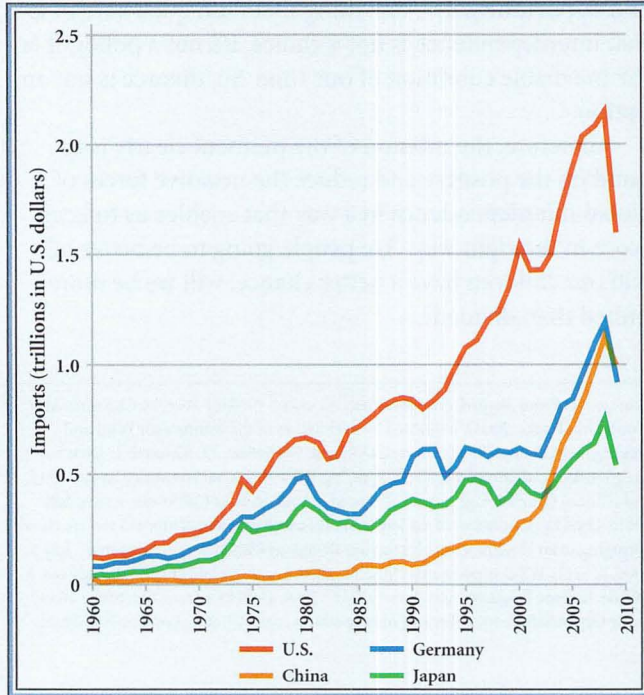


FIGURE 31.3
Imports, 1960–2009

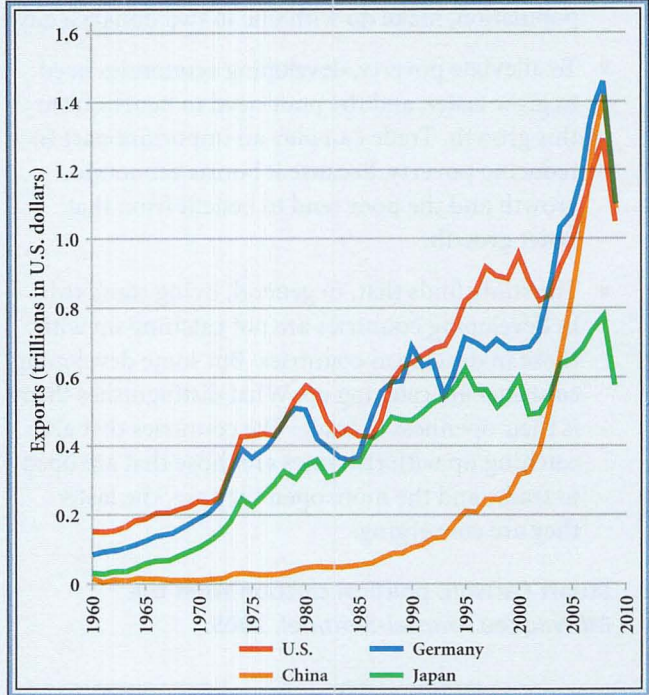


FIGURE 31.4
Exports, 1960–2009

QUESTIONS FOR ANALYSIS

1. Notice how U.S. imports rose at roughly the same rate as those of other countries until the 1970s. What accounts for the acceleration of U.S. imports thereafter?
2. China's exports rose spectacularly after the 1990s. Germany increased its exports in this period dramatically as well. What evidence do you see here for increasing competition for the United States in a globalizing economy?

the dollar and the Japanese yen as a major international currency (Map 31.1). Militarily, however, the EU remained a secondary power. An economic juggernaut and trading rival with a suspicion of warfare, the EU presented a number of new dilemmas for American officials.

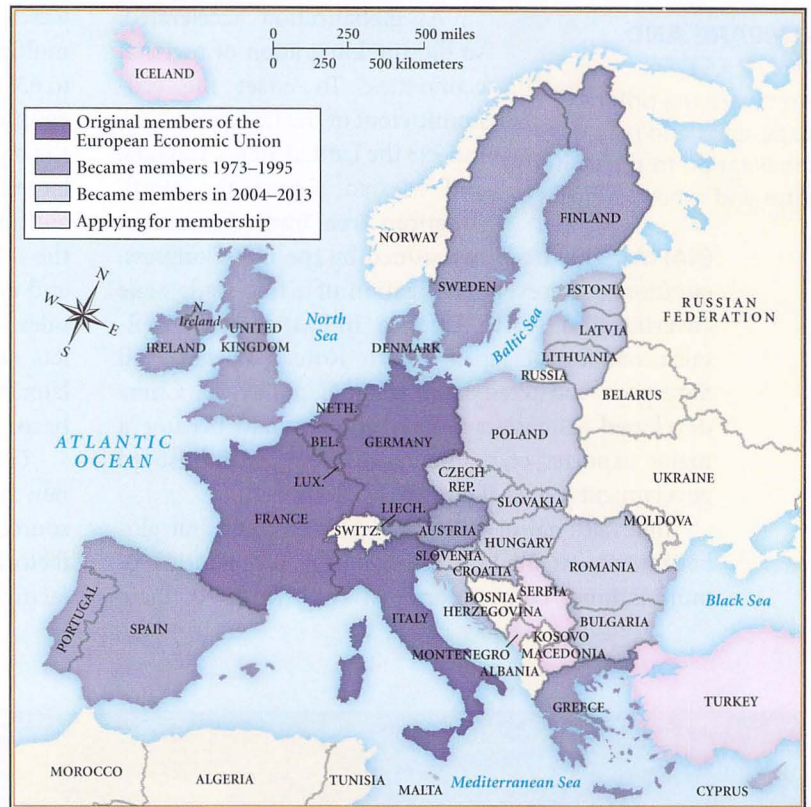
So did China, a vast nation of 1.3 billion people that was the world's fastest-rising economic power in the first decade of the twenty-first century. Between 2000 and 2008, China *quadrupled* its gross domestic product (GDP). Economic growth rates during those years were consistently near 10 percent—higher than the United States achieved during its periods of

furious economic growth in the 1950s and 1960s. Although still governed by the Communist Party, China embraced capitalism, and its factories produced inexpensive products for exports, which Americans eagerly purchased—everything from children's toys and television sets to clothing, household appliances, and video games. To maintain this symbiotic relationship, China deliberately kept its currency weak against the American dollar, ensuring that its exports remained cheap in the United States.

Beneficial to American consumers in the short run, the implications of this relationship for the future may be less promising. Two such implications stand out.

MAP 31.1**Growth of the European Community, 1951–2005**

The European Community (EU) began in the 1950s as a loose organization of Western European nations. Over the course of the following decades, it created stronger common institutions, such as the European Parliament in Strasbourg, the EU Commission in Brussels, and the Court of Justice in Luxembourg. With the collapse of communism, the EU has expanded to include the nations of Eastern and Central Europe. It now includes twenty-eight nations and over 500 million people.



First, as more and more goods that Americans buy are produced in China, the manufacturing base in the United States continues to shrink, costing jobs and adversely affecting communities. Second, China has kept its currency low against the dollar primarily by purchasing American debt. China now owns nearly 25 percent of total U.S. debt, more than any other nation. Many economists believe that it is unwise to allow a single country to wield so much influence over the U.S. currency supply. Should this relationship continue unchanged, Americans may find their manufacturing sector contracting even more severely in the coming decades.

An Era of Globalization

Americans have long depended on foreign markets to which they export their goods and have long received imported products and immigrants from other countries. But the *intensity* of international exchange has varied over time. The end of the Cold War shattered barriers that had restrained international trade and impeded capitalist development of vast areas of the world. New communications systems—satellites, fiber-optic cables, global positioning networks—were shrinking the world’s physical spaces to a degree

unimaginable at the beginning of the twentieth century. Perhaps most important, global financial markets became integrated to an unprecedented extent, allowing investment capital to “flow” into and out of nations and around the world in a matter of moments.

EXPLAIN CONSEQUENCES

What were the major consequences for the United States of the economic rise of China and the European Union?

International Organizations and Corporations

International organizations, many of them created in the wake of World War II, set the rules for capitalism’s worldwide expansion. During the final decades of the Cold War, the leading capitalist industrial nations formed the Group of Seven (G7) to manage global economic policy. Russia joined in 1997, creating the **Group of Eight (G8)**. The G8 nations—the United States, Britain, Germany, France, Italy, Japan, Canada, and Russia—largely controlled the major international financial organizations: the World Bank, the International Monetary Fund (IMF), and the General Agreement on Tariffs and Trade (GATT). In 1995, GATT evolved into the World Trade Organization (WTO), with nearly 150 participating nations that regulate and formalize trade agreements with member states.

COMPARE AND CONTRAST

What were the potential benefits and risks of globalization to the United States and other countries?

As globalization accelerated, so did the integration of regional economies. To offset the economic clout of the European bloc, in 1993 the United States, Canada, and Mexico signed the **North American Free Trade Agreement**

(**NAFTA**). This treaty, as ratified by the U.S. Congress, envisioned the eventual creation of a free-trade zone covering all of North America. In East Asia, the capitalist nations of Japan, South Korea, Taiwan, and Singapore consulted on economic policy; as China developed a quasi-capitalist economy and became a major exporter of manufactures, its Communist-led government joined their deliberations.

International organizations set the rules, but globalization was made possible by the proliferation of **multinational corporations** (MNCs). In 1970, there

were 7,000 corporations with offices and factories in multiple countries; by 2000, the number had exploded to 63,000. Many of the most powerful MNCs were, and continue to be, based in the United States. Walmart, the biggest American retailer, is also one of the world's largest corporations, with 1,200 stores in other nations and more than \$400 billion in sales. Apple, maker of the iPhone and iPad, grew spectacularly in the 2000s and now has more than \$60 billion annually in global sales. The McDonald's restaurant chain had 1,000 outlets outside the United States in 1980; twenty years later, there were nearly 13,000, and "McWorld" had become a popular shorthand term for globalization.

Globalization was driven by more than a quest for new markets. Corporations also sought ever-cheaper sources of labor. Many American MNCs closed their factories in the United States and outsourced manufacturing jobs to plants in Mexico, Eastern Europe,

**A Nike Factory in China**

In 2005, Nike produced its shoes and sportswear at 124 plants in China; additional factories were located in other low-wage countries. Most of the Chinese plants were run by subcontractors, who housed the workers—mostly women between the ages of sixteen and twenty-five—in crowded dormitories. The wages were low, about \$3 a day, but more than the women could earn if they remained in their rural villages. AP Images.

and especially Asia. The athletic sportswear firm Nike was a prime example. By 2005, Nike had established 700 factories worldwide that employed more than 650,000 workers, most of whom received low wages, endured harsh working conditions, and had no health or pension benefits. Highly skilled jobs were outsourced as well.

Financial Deregulation One of the principal differences between this new era of globalization and previous eras has been the opening of national financial and currency markets to investment from around the world. The United States and Britain led the way. Both countries came under the sway of powerful political forces in the 1980s calling for the total deregulation of banks, brokerage houses, investment firms, and financial markets—letting the free market replace government oversight. Together, the United States and Britain led a quiet revolution in which investment markets around the world were gradually set free.

Financial deregulation led to spectacular profits for investors but produced a more fragile, crash-prone global economy. On the profit side, financial-industry profits in the United States rose from less than

10 percent of total business profits in the 1950s to more than 40 percent beginning in the 1990s. But the costs were becoming clear as well: the bankruptcy of the American savings and loan industry in the 1980s; the “lost decade” in Japan in the 1990s; the near bankruptcy of Russia in the late 1990s and of Argentina in 2001; the 1997 Asian financial crisis, centered in Thailand and Indonesia; and the collapse of nearly the entire global economy in 2008 (p. 1030). These and other episodes dramatized the extraordinary risks that financial globalization has introduced.

Revolutions in Technology

The technological advances of the 1980s and 1990s changed the character of everyday life for millions of Americans, linking them with a global information and media environment unprecedented in world history. Not since television was introduced to American homes in the years following World War II had technology so profoundly changed the way people lived their lives. Personal computers, cell phones and smartphones, the Internet and the World Wide Web, and other electronic devices and systems altered



Internet Versus Newspapers

Between 2000 and 2010, dozens of large and medium-sized newspapers went out of business, their once-robust readership drained away by the convenience of news available for free on the Internet. In 2009, the *Seattle Post-Intelligencer* newspaper ceased print publication and became an online-only news source. In this photo, the paper's news-boxes sit empty, an ominous sign of the struggling newspaper business in the early 2000s. © Bettmann/Corbis.

work, leisure, and access to knowledge in stunning ways. Like unimpeded trade, these advances in communications and personal technologies enhanced globalization.

During the 1990s, personal computers, which had emerged in the late 1970s, grew even more significant with the spread of the Internet and the World Wide Web. Like the computer itself, the Internet was the product of military-based research. During the late 1960s, the U.S. Department of Defense, in conjunction with the Massachusetts Institute of Technology, began developing a decentralized computer network, the **Advanced Research Projects Agency Network (ARPANET)**. The Internet, which grew out of the ARPANET, was soon used by government scientists, academic specialists, and military contractors to exchange data, information, and electronic mail (e-mail). By the 1980s, the Internet had spread to universities, businesses, and the general public.

The debut in 1991 of the graphics-based **World Wide Web**—a collection of servers that allowed access to millions of documents, pictures, and other materials—enhanced the popular appeal and commercial possibilities of the Internet. By 2011, 78 percent of all Americans and more than two billion people worldwide used the Internet to send messages and view information. Businesses used the World Wide Web to sell their products and services; e-commerce transactions totaled \$114 billion in 2003, \$172 billion in 2005, and neared

\$500 billion in 2010. The Web proved instantly democratic, providing ordinary people with easy access to knowledge.

Politics and Partisanship in a New Era

Standing at the podium at the 1992 Republican National Convention, his supporters cheering by the thousands, Patrick Buchanan did not mince words. Buchanan was a former speechwriter for President Richard Nixon and a White House aide to President Ronald Reagan, and despite having lost the nomination for president, he still hoped to shape the party's message to voters. This election, he told the audience—including millions watching on television—"is about what we stand for as Americans." Citing Democratic support for abortion rights and the rights of lesbians and gay men, Buchanan claimed there was "a religious war going on in our country for the soul of America." It was, he emphasized, "a **culture war**."

Buchanan's war was another name for a long-standing political struggle, dating to the 1920s, between religious traditionalists and secular liberals (Chapter 22). This time, however, Americans struggled over these questions in the long shadow of the sixties, which had taken on an exaggerated meaning in the nation's



New Immigrants

In the early years of the 2000s, more immigrants lived in the United States than at any time since the first decades of the twentieth century. Most came from Asia, Latin America, and Africa. Many, like those pictured here, started small businesses that helped revive the economies of urban and suburban neighborhoods across the country.

© Bettmann/Corbis.

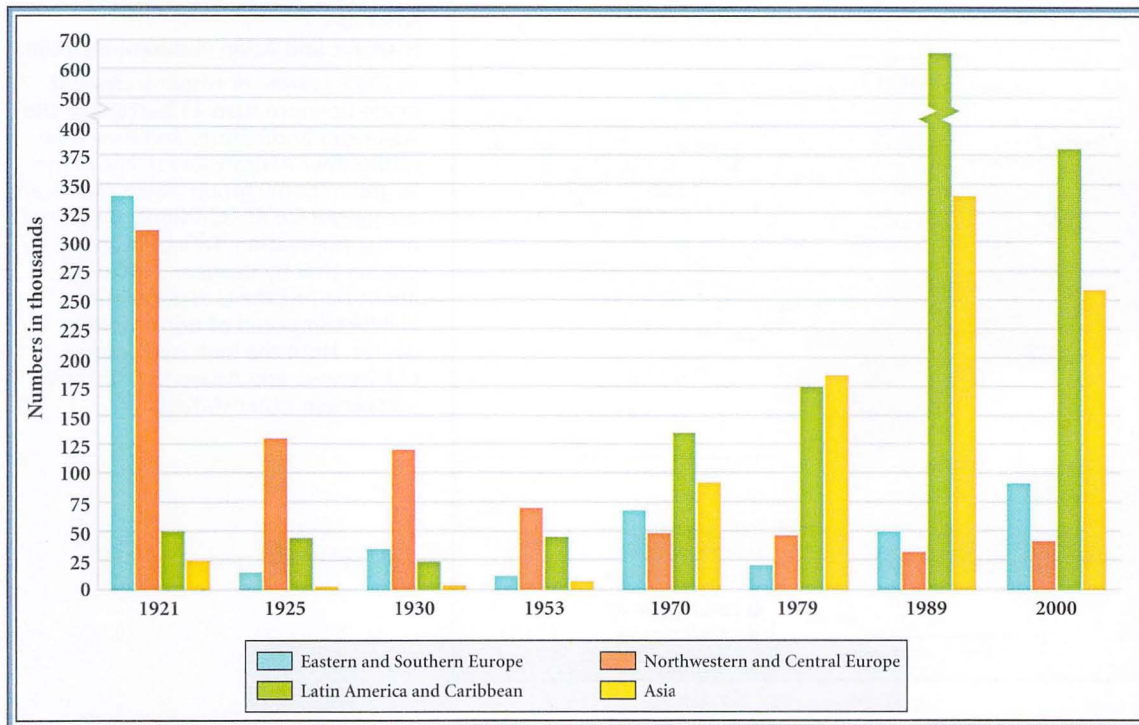


FIGURE 31.5
American Immigration, 1920–2000

Legislation inspired by nativism slowed the influx of immigrants after 1920, as did the dislocations brought on by economic depression and war in the 1930s and 1940s. Note the high rate of non-European immigration since the 1970s, the result of new eligibility rules in the Immigration Act of 1965 (Chapter 28). The dramatic increase since 1980 in the number of migrants from Latin America and Asia reflects American economic prosperity, traditionally a magnet for migrants, and the rapid acceleration of illegal immigration.

politics. Against the backdrop of globalization, American politics in the 1990s and early 2000s careened back and forth between contests over divisive social issues and concern over the nation's economic future.

An Increasingly Plural Society

Exact estimates vary, but demographers predict that at some point between 2040 and 2050 the United States will become a “majority-minority” nation: No single ethnic or racial group will be in the numerical majority. This is already the case in California, where in 2010 African Americans, Latinos, and Asians together constituted a majority of the state's residents. As this unmistakable trend became apparent in the 1990s, it fueled renewed debates over ethnic and racial identity and over public policies such as affirmative action.

New Immigrants According to the Census Bureau, the population of the United States grew from 203 million in 1970 to 280 million in 2000 (American Voices, p. 1016). Of that 77-million-person increase, immigrants accounted for 28 million, with legal entrants

numbering 21 million and illegal entrants adding another 7 million (Figure 31.5). As a result, by 2000, 26 percent of California's population was foreign-born, as was 20 percent of New York's and 17 percent each of New Jersey's and Florida's. Relatively few immigrants came from Europe, which had dominated immigration to the United States between 1880 and 1924. The overwhelming majority—some 25 million—now came from Latin America (16 million) and East Asia (9 million) (Map 31.2).

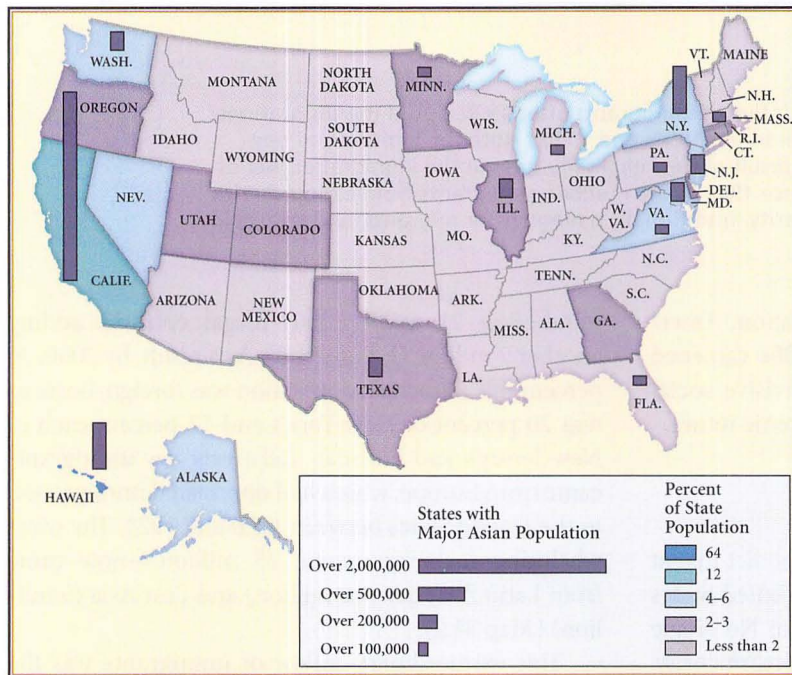
This extraordinary inflow of immigrants was the unintended result of the **Immigration and Nationality Act** of 1965, one of the less well-known but most influential pieces of Great Society legislation. Known as the Hart-Celler Act, the legislation eliminated the 1924 quota system, which had favored Northern Europe. In its place, Congress created a more equal playing field among nations and a slightly higher total limit on immigration. The legislation also included provisions that eased the entry of immigrants who possessed skills in high demand in the United States. Finally, a provision with far-reaching implications was included in the new law: immediate family members of those already



MAP 31.2

Hispanic and Asian Populations, 2000

In 2000, people of Hispanic descent made up more than 11 percent of the American population, and they now outnumber African Americans as the largest minority group. Asian Americans accounted for an additional 4 percent of the population. Demographers predict that by the year 2050 only about half of the U.S. population will be composed of non-Hispanic whites. Note the high percentage of Hispanics and Asians in California and certain other states.



legally resident in the United States were admitted outside of the total numerical limit.

American residents from Latin America and the Caribbean were best positioned to take advantage of the family provision. Millions of Mexicans came to the United States to join their families, and U.S. residents from El Salvador and Guatemala—tens of thousands of whom had arrived seeking sanctuary or asylum

during the civil wars of the 1980s—and the Dominican Republic now brought their families to join them. Nationally, there were now more Latinos than African Americans. Many of these immigrants profoundly shaped the emerging global economy by sending substantial portions of their earnings, called remittances, back to family members in their home countries. In 2006, for instance, workers in the United States sent

\$23 billion to Mexico, a massive remittance flow that constituted Mexico's third-largest source of foreign exchange.

Asian immigrants came largely from China, the Philippines, South Korea, India, and Pakistan. In addition, 700,000 refugees came to the United States from Southeast Asia (Vietnam, Laos, and Cambodia) after the Vietnam War. This immigration signaled more than new flows of people into the United States. Throughout much of its history, the United States had oriented itself toward the Atlantic. Indeed, at the end of the nineteenth century, American secretary of state John Hay observed, "The Mediterranean is the ocean of the past; the Atlantic the ocean of the present." He added, presciently, "The Pacific [is] the ocean of the future." By the last decades of the twentieth century, Hay's future had arrived. As immigration from Asia increased, as Japan and China grew more influential economically, and as more and more transnational trade crossed the Pacific, commentators on both sides of the ocean began speaking of the Pacific Rim as an important new region.

Multiculturalism and Its Critics Most new immigrants arrived under the terms of the 1965 law. But those who entered without legal documentation stirred political controversy. After twenty years under the new law, there were three to five million immigrants without legal status. In 1986, to remedy this situation, Congress passed the Immigration Reform and Control Act. The law granted citizenship to many of those who had arrived illegally, provided incentives for employers not to hire undocumented immigrants, and increased surveillance along the border with Mexico. Immigration critics persisted, however. In 1992, Patrick Buchanan, then campaigning for the Republican presidential nomination, warned Americans that their country was "undergoing the greatest invasion in its history, a migration of millions of illegal aliens a year from Mexico." Many states took immigration matters into their own hands. In 1994, for instance, Californians approved Proposition 187, a ballot initiative that barred illegal aliens from public schools, nonemergency care at public health clinics, and all other state social services. The proposed law declared that U.S. citizens have a "right to the protection of their government from any person or persons entering this country unlawfully," but after five years in federal court, the controversial measure was ruled unconstitutional.

Debates over post-1965 immigration looked a great deal like conflicts in the early decades of the century. Then, many native-born white Protestants worried that the largely Jewish and Catholic immigrants from Southern and Eastern Europe, along with African American migrants leaving the South, could not assimilate and threatened the "purity" of the nation. Although the conflicts looked the same, the cultural paradigm had shifted. In the earlier era, the *melting pot*—a term borrowed from the title of a 1908 play—became the metaphor for how American society would accommodate its newfound diversity. Some native-born Americans found solace in the melting-pot concept because it implied that a single "American" culture would predominate. In the 1990s, however, a different concept, **multiculturalism**, emerged to define social diversity. Americans, this concept suggested, were not a single people into whom others melted; rather, they comprised a diverse set of ethnic and racial groups living and working together. A shared set of public values held the multicultural society together, even as different groups maintained unique practices and traditions.

Critics, however, charged that multiculturalism perpetuated ethnic chauvinism and conferred preferential treatment on minority groups. Many government policies, as well as a large number of private employers, for instance, continued to support affirmative action programs designed to bring African Americans and Latinos into public- and private-sector jobs and universities in larger numbers. Conservatives argued that such governmental programs were deeply flawed because they promoted "reverse discrimination" against white men and women and resulted in the selection and promotion of less qualified applicants for jobs and educational advancement.

California stood at the center of the debate. In 1995, under pressure from Republican governor Pete Wilson, the regents of the University of California scrapped their twenty-year-old policy of affirmative action. A year later, California voters approved **Proposition 209**, which outlawed affirmative action in state employment and public education. At the height of the 1995 controversy, President Bill Clinton delivered a major speech defending affirmative action. He reminded Americans that Richard Nixon, a Republican president, had endorsed affirmative action, and he concluded by saying the nation should "mend it," not "end it." However, as in the *Bakke* decision of the 1970s (Chapter 29), it was the U.S. Supreme Court that spoke loudest on the subject. In two parallel 2003 cases, the Court invalidated one affirmative action plan at the University of



To see a longer excerpt of Proposition 187, along with other primary sources from this period, see *Sources for America's History*.

Immigration After 1965: Its Defenders and Critics

John F. Kennedy

A Nation of Immigrants, 1964

This selection is from a revised, and posthumously published, version of a book Kennedy originally published in 1958.

Immigration policy should be generous; it should be fair; it should be flexible. With such a policy we can turn to the world, and to our own past with clean hands and a clean conscience. Such a policy would be a reaffirmation of old principles. It would be an expression of our agreement with George Washington that “The bosom of America is open to receive not only the opulent and respectable stranger, but the oppressed and persecuted of all nations and religions; whom we shall welcome to a participation of all our rights and privileges, if by decency and propriety of conduct they appear to merit the enjoyment.”

Source: Nicholas Capaldi, ed., *Immigration: Debating the Issues* (Amherst, NY: Prometheus Books, 1997), 128.

Roy Beck

“A Nation of (Too Many) Immigrants?” 1996

Boy Beck is a former journalist who became an activist for immigration reduction.

Since 1970, more than 30 million foreign citizens and their descendants have been added to the local communities and labor pools of the United States. It is the numerical equivalent of having relocated within our borders the entire present population of all Central American countries.

Demographic change on such a massive scale — primarily caused by the increased admission of *legal* immigrants — inevitably has created winners and losers among Americans. Based on opinion polls, it appears that most Americans consider themselves net losers and believe that the United States has become “a nation of too many immigrants.”

What level of immigration is best for America, and of real help to the world? Although we often hear that

As we have seen in this chapter, the immigration law passed by Congress in 1965 combined with global developments to shift the flows of people seeking entry to the United States. More and more immigrants came from Latin America, the Caribbean, Asia, and Africa. Immigration has always been politically controversial, but in the 1990s a renewed, and often polarized, debate over immigration emerged.

the United States is a nation of immigrants, we seldom ask just what that means. It can be difficult to ask tough questions about immigration when we see nostalgic images of Ellis Island, recall our own families’ coming to America, or encounter a new immigrant who is striving admirably to achieve the American dream.

But tough questions about immigration can no longer be avoided as we enter a fourth decade of unprecedentedly high immigration and struggle with its impact on our job markets, on the quality of life and social fabric of our communities, and on the state of the environment. . . .

The task before the nation in setting a fair level of immigration is not about race or some vision of a homogenous white America; it is about protecting and enhancing the United States’ unique experiment in democracy for all Americans, including recent immigrants, regardless of their particular ethnicity. It is time to confront the true costs and benefits of immigration numbers, which have skyrocketed beyond our society’s ability to handle them successfully.

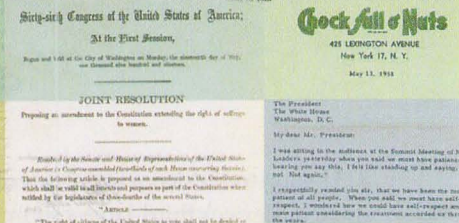
Source: From *The Case Against Immigration: The Moral, Economic, Social, and Environmental Reasons for Reducing U.S. Immigration Back to Traditional Levels*, by Roy H. Beck (New York: W. W. Norton & Company, 1996). Used by permission of the author.

Vernon M. Briggs Jr. and Stephen Moore

“Still an Open Door?” 1994

Two academic policy analysts weigh in on the immigration debate.

Immigrants are certainly not an unmixed blessing. When the newcomers first arrive, they impose short-term costs on the citizenry. Because immigration means more people, they cause more congestion of our highways, a more crowded housing market, and longer waiting lines in stores and hospitals. In states such as California, immigrants’ children are heavy users of an already overburdened public school system, and so on. Some immigrants abuse the welfare system, which means that tax dollars from Americans are transferred to immigrant populations. Los Angeles County officials estimate that



immigrants' use of county services costs the local government hundreds of millions of dollars each year. . . .

The benefits of immigration, however, are manifold. Perhaps the most important benefit is that immigrants come to the United States with critically needed talents, energies, and ambitions that serve as an engine for economic progress and help the United States retain economic and geopolitical leadership. Because for most of the world's immigrants, America is their first choice, the United States is in a unique position to select the most brilliant and inventive minds from the United Kingdom, Canada, China, Korea, India, Ireland, Mexico, Philippines, Russia, Taiwan, and other nations. Because most immigrants are not poor, tired, huddled masses, but rather are above the average of their compatriots in skill and education levels, the immigration process has a highly beneficial self-selection component, a skimming of the cream of the best workers and top brainpower from the rest of the world.

Source: Vernon M. Briggs Jr. and Stephen Moore, *Still an Open Door? U.S. Immigration Policy and the American Economy* (Washington, DC: The American University Press, 1994).

President Barack Obama

June 15, 2012, Announcement at the White House Rose Garden

In 2012 the president announced a new policy allowing many immigrants to avoid deportation and apply for work authorization.

This morning, Secretary Napolitano [Secretary of Department of Homeland Security] announced new actions my administration will take to mend our nation's immigration policy, to make it more fair, more efficient and more just, specifically for certain young people sometimes called DREAMers.

Now, these are young people who study in our schools, they play in our neighborhoods, they're friends with our kids, they pledge allegiance to our flag. They are Americans in their heart, in their minds, in every single way but one: on paper. They were brought to this country by their parents, sometimes even as infants, and often have no idea that they're undocumented until they apply for a job or a driver's license or a college scholarship.

Put yourself in their shoes. Imagine you've done everything right your entire life, studied hard, worked hard, maybe even graduated at the top of your class, only to suddenly face the threat of deportation to a country that you know nothing about, with a language that you may not even speak.

That's what gave rise to the Dream Act. It says that if your parents brought you here as a child, you've been here for five years and you're willing to go to college or serve in our military, you can one day earn your citizenship. And I've said time and time and time again to Congress that — send me the Dream Act, put it on my desk, and I will sign it right away. . . .

Source: *New York Times*, June 15, 2012.

QUESTIONS FOR ANALYSIS

1. Compare and contrast the different views on immigration presented here. What are the pros and cons of immigration?
2. Does the debate over immigration depend on whether immigrants are pictured as skilled and educated or unskilled and poor? Explain why it should or shouldn't.
3. The Dream Act that President Obama mentions was stalled in Congress in 2012. What kinds of appeals does he make on behalf of immigrants? How do they compare with Kennedy's remarks?



English Only

Not everyone was pleased with the new influx of immigrants. Anti-immigrant movements arose in various states, especially those along the Mexican border. In 1998, conservative activist Ron Unz sponsored Proposition 227 in California. The measure, which banned bilingual education in public schools, passed by a wide margin. In this photo, Unz delivers a speech supporting Proposition 227 to an audience in Los Angeles. AP Images.

Michigan but allowed racial preference policies that promoted a “diverse” student body. Thus diversity became the law of the land, the constitutionally acceptable basis for affirmative action. The policy had been narrowed but preserved.

Additional anxieties about a multicultural nation centered on language. In 1998, Silicon Valley software entrepreneur Ron Unz sponsored a California initiative calling for an end to bilingual education in public schools. Unz argued that bilingual education had failed because it did not adequately prepare Spanish-speaking students to succeed in an English-speaking society. The state’s white, Anglo residents largely approved of the measure; most Mexican American, Asian American, and civil rights organizations opposed it. When Unz’s measure, Proposition 227, passed with a healthy 61 percent majority, it seemed to confirm the limits of multiculturalism in the nation’s most diverse state.

TRACE CHANGE OVER TIME

How did anti-immigrant sentiment increase between the 1960s and the 1990s, and what sorts of actions were taken by those opposed to immigration?

Clashes over “Family Values”

If the promise of a multicultural nation was one contested political issue, another was the state of American families. New Right conservatives charged that the

“abrasive experiments of two liberal decades,” as a Reagan administration report put it, had eroded respect for marriage and what they had called, since the 1970s, “family values.” They pointed to the 40 percent rate of divorce among whites and the nearly 60 percent rate of out-of-wedlock pregnancies among African Americans. To conservatives, there was a wide range of culprits: legislators who enacted liberal divorce laws, funded child care, and allowed welfare payments to unmarried mothers, as well as judges who condoned abortion and banished religious instruction from public schools.

Abortion Abortion was central to the battles between feminists and religious conservatives and a defining issue between Democrats and Republicans. Feminists who described themselves as prochoice viewed the issue from the perspective of the pregnant woman; they argued that the right to a legal, safe abortion was crucial to her control over her body and life. Conversely, religious conservatives, who pronounced themselves prolife, viewed abortion from the perspective of the unborn fetus and claimed that its rights trumped those of the mother. That is where the debate had stood since the U.S. Supreme Court’s 1973 decision in *Roe v. Wade*.

By the 1980s, fundamentalist Protestants had assumed leadership of the antiabortion movement,



Activists Protesting Outside the Supreme Court in 2002

In 2002 the Supreme Court considered a case in which the National Organization for Women (NOW) had challenged the legality of abortion clinic protests, such as those undertaken by Operation Rescue. The activists, and the case itself, demonstrated that the question of abortion remained far from settled, and Americans on all sides of the issue continued to hold passionate opinions. Photo by Mark Wilson/Getty Images.

which became increasingly confrontational and politically powerful. In 1987, the religious activist Randall Terry founded **Operation Rescue**, which mounted protests outside abortion clinics and harassed their staffs and clients. While such vocal protests took shape outside clinics, antiabortion activists also won state laws that limited public funding for abortions, required parental notification before minors could obtain abortions, and mandated waiting periods before any woman could undergo an abortion procedure. Such laws further restricted women's reproductive choices.

Gay Rights The issue of homosexuality stirred equally deep passions. As more gay men and women came out of the closet in the years after Stonewall (Chapter 28), they demanded legal protections from discrimination in housing, education, and employment. Public opinion about these demands varied by region, but by the 1990s, many cities and states had banned discrimination on the basis of sexual orientation. Gay

rights groups also sought legal rights for same-sex couples—such as the eligibility for workplace health-care coverage—that were akin to those enjoyed by married heterosexuals. Many of the most prominent national gay rights organizations, such as the Human Rights Campaign, focused on full marriage equality: a legal recognition of same-sex marriage that was on par with opposite-sex marriages.

The Religious Right had long condemned homosexuality as morally wrong, and public opinion remained sharply divided. In 1992, Colorado voters approved an amendment to the state constitution that prevented local governments from enacting ordinances protecting gays and lesbians—a measure that the Supreme Court subsequently overturned as unconstitutional. That same year, however, Oregon voters defeated a more radical initiative that would have

EXPLAIN CONSEQUENCES

How did clashes over “family values” alter American politics in the 1990s?

prevented the state from using any funds “to promote, encourage or facilitate” homosexuality. In 1996, Congress entered the fray by enacting the **Defense of Marriage Act**, which allowed states to refuse to recognize gay marriages or civil unions formed in other jurisdictions. More recently, gay marriage has been legalized in eleven states: California, Connecticut, Iowa, Maine, Maryland, Massachusetts, New Hampshire, New York, Vermont, Washington, and Rhode Island.

Culture Wars and the Supreme Court Divisive rights issues increasingly came before the U.S. Supreme Court. Abortion led the way, with abortion rights activists challenging the constitutionality of the new state laws limiting access to the procedure. In *Webster v. Reproductive Health Services* (1989), the Supreme Court upheld the authority of state governments to limit the use of public funds and facilities for abortions. Then, in the important case of *Planned Parenthood of Southeastern Pennsylvania v. Casey* (1992), the Court upheld a law requiring a twenty-four-hour waiting period prior to an abortion. Surveying these and other decisions, a reporter suggested that 1989 was “the year the Court turned right,” with a conservative majority ready and willing to limit or invalidate liberal legislation and legal precedents.

This observation was only partly correct. The Court was not yet firmly conservative. Although the *Casey* decision upheld certain restrictions on abortions, it affirmed the “essential holding” in *Roe v. Wade* (1973) that women had a constitutional right to control their reproduction. Justice David Souter, appointed to the Court by President George H. W. Bush in 1990, voted with Reagan appointees Sandra Day O’Connor and Anthony Kennedy to uphold *Roe*. Souter, like O’Connor, emerged as an ideologically moderate justice on a range of issues. Moreover, in a landmark decision, *Lawrence v. Texas* (2003), the Supreme Court limited the power of states to prohibit private homosexual activity between consenting adults and, more recently, in *Windsor v. United States* (2013) declared the Defense of Marriage Act unconstitutional. The Court had crept incrementally, rather than lurched, to the right while signaling its continued desire to remain within the broad mainstream of American public opinion.

The Clinton Presidency, 1993–2001

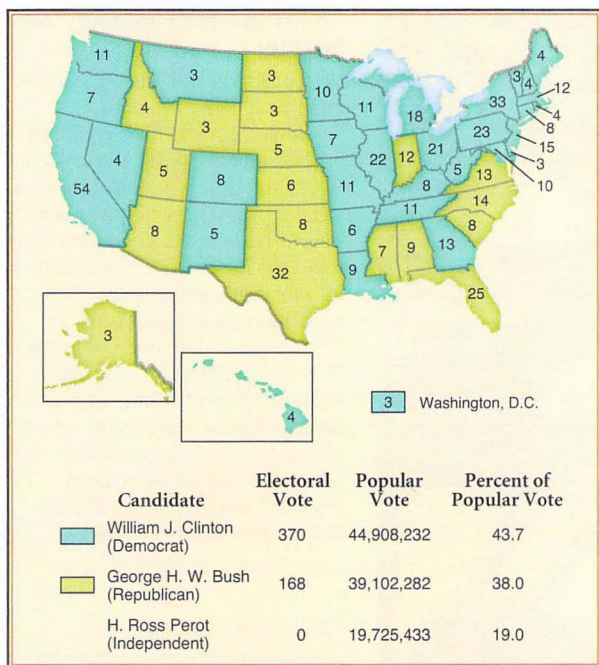
The culture wars contributed to a new, divisive partisanship in national politics. Rarely in the twentieth century had the two major parties so adamantly refused

to work together. Also rare was the vitriolic rhetoric that politicians used to describe their opponents. The fractious partisanship was filtered through—or, many would argue, created by—the new twenty-four-hour cable news television networks, such as Fox News and CNN. Commentators on these channels, finding that nothing drew viewers like aggressive partisanship, increasingly abandoned their roles as conveyors of information and became entertainers and provocateurs.

That divisiveness was a hallmark of the presidency of William Jefferson Clinton. In 1992, Clinton, the governor of Arkansas, styled himself a New Democrat who would bring Reagan Democrats and middle-class voters back to the party. Only forty-six, he was an energetic, ambitious policy wonk—extraordinarily well informed about the details of public policy. To win the Democratic nomination in 1992, Clinton had to survive charges that he embodied the permissive social values conservatives associated with the 1960s: namely, that he dodged the draft to avoid service in Vietnam, smoked marijuana, and cheated repeatedly on his wife. The charges were damaging, but Clinton adroitly talked his way into the presidential nomination: he had charisma and a way with words. For his running mate, he chose Albert A. Gore, a senator from Tennessee. Gore was about the same age as Clinton, making them the first baby-boom national ticket as well as the nation’s first all-southern major-party ticket.

President George H. W. Bush won renomination over his lone opponent, the conservative columnist Pat Buchanan. The Democrats mounted an aggressive campaign that focused on Clinton’s domestic agenda: he promised a tax cut for the middle class, universal health insurance, and a reduction of the huge Republican budget deficit. It was an audacious combination of traditional social-welfare liberalism and fiscal conservatism. For his part, Bush could not overcome voters’ discontent with the weak economy and conservatives’ disgust at his tax hikes. He received only 38.0 percent of the popular vote as millions of Republicans cast their ballots for independent businessman Ross Perot, who won more votes (19.0 percent) than any independent candidate since Theodore Roosevelt in 1912. With 43.7 percent of the vote, Clinton won the election (Map 31.3). Still, there were reasons for him to worry. Among all post–World War II presidents, only Richard Nixon (in 1969) entered the White House with a comparably small share of the national vote.

New Democrats and Public Policy Clinton tried to steer a middle course through the nation’s increasingly



MAP 31.3
The Presidential Election of 1992

The first national election after the end of the Cold War focused on the economy, which had fallen into a recession in 1991. The first-ever all-southern Democratic ticket of Bill Clinton (Arkansas) and Al Gore (Tennessee) won support across the country but won the election with only 43.7 percent of the popular vote. The Republican candidate, President George H. W. Bush, ran strongly in his home state of Texas and the South, an emerging Republican stronghold. Independent candidate H. Ross Perot, a wealthy technology entrepreneur, polled an impressive 19.0 percent of the popular vote by capitalizing on voter dissatisfaction with the huge federal deficits of the Reagan-Bush administrations.

divisive partisanship. On his left was the Democratic Party’s weakened but still vocal liberal wing. On his right were party moderates influenced by Reagan-era notions of reducing government regulation and the welfare state. Clinton’s “third way,” as he dubbed it, called for the new president to tailor his proposals to satisfy these two quite different — and often antagonistic — political constituencies. Clinton had notable successes as well as spectacular failures pursuing this course.

The spectacular failure came first. Clinton’s most ambitious social-welfare goal was to provide a system of health care that would cover all Americans and reduce the burden of health-care costs on the larger economy. Although the United States spent a higher percentage of its gross national product (GNP) on medical care than any other nation, it was the only

major industrialized country that did not provide government-guaranteed health insurance to all citizens. It was an objective that had eluded every Democratic president since Harry Truman.

Recognizing the potency of Reagan’s attack on “big government,” Clinton’s health-care task force — led by First Lady Hillary Rodham Clinton — proposed a system of “managed competition.” Private insurance companies and market forces were to rein in health-care expenditures. The cost of this system would fall heavily on employers, and many smaller businesses campaigned strongly against it. So did the health insurance industry and the American Medical Association, powerful lobbies with considerable influence in Washington. By mid-1994, Democratic leaders in Congress declared that the Clintons’ universal health-care proposal was dead. Forty million Americans, or 15 percent of the population, remained without health insurance coverage.

More successful was Clinton’s plan to reduce the budget deficits of the Reagan-Bush presidencies. In 1993, Clinton secured a five-year budget package that would reduce the federal deficit by \$500 billion. Republicans unanimously opposed the proposal because it raised taxes on corporations and wealthy individuals, and liberal Democrats complained because it limited social spending. But shared sacrifice led to shared rewards. By 1998, Clinton’s fiscal policies had balanced the federal budget and begun to pay down the federal debt — at a rate of \$156 billion a year between 1999 and 2001. As fiscal sanity returned to Washington, the economy boomed, thanks in part to the low interest rates stemming from deficit reduction.

The Republican Resurgence The midterm election of 1994 confirmed that the Clinton presidency had not produced an electoral realignment: conservatives still had a working majority. In a well-organized campaign, in which grassroots appeals to the New Right dominated, Republicans gained fifty-two seats in the House of Representatives, giving them a majority for the first time since 1954. They also retook control of the Senate and captured eleven governorships. Leading the Republican charge was Representative Newt Gingrich of Georgia, who revived calls for significant tax cuts, reductions in welfare programs, anticrime initiatives, and cutbacks in federal regulations. These initiatives, which Gingrich promoted under the banner of a “**Contract with America**,” had been central components

UNDERSTAND POINTS OF VIEW
What made President Clinton a “New Democrat,” and how much did his proposals differ from traditional liberal objectives?



An Influential First Lady and Senator

Hillary Clinton was the most influential First Lady since Eleanor Roosevelt. But she had ambitions beyond being a political spouse. In 2000, and again in 2006, she won election to the U.S. Senate from New York. In 2008, she nearly captured the Democratic nomination for president, and in 2009 she was appointed secretary of state by the man who defeated her in the Democratic primaries (and who went on to win the presidency), Barack Obama. Here she is shown with a group of her supporters in one of her Senate campaigns.

Photo by David Handschuh/NY Daily News Archive via Getty Images.

of the conservative-backed Reagan Revolution of the 1980s, but Gingrich believed that under the presidency of George H. W. Bush Republicans had not emphasized them enough.

In response to the massive Democratic losses in 1994, Clinton moved to the right. Claiming in 1996 that “the era of big government is over,” he avoided expansive social-welfare proposals for the remainder of his presidency and sought Republican support for a centrist New Democrat program. The signal piece of that program was reforming the welfare system, a measure that saved relatively little money but carried a big ideological message. Many taxpaying Americans believed—with some supporting evidence—that the Aid to Families with Dependent Children (AFDC) program encouraged female recipients to remain on welfare rather than seek employment. In August 1996, the federal government abolished AFDC, achieving a long-standing goal of conservatives when Clinton signed the **Personal Responsibility and Work Opportunity Reconciliation Act**. Liberals were furious with the president.

Clinton’s Impeachment Following a relatively easy victory in the 1996 election, Clinton’s second term unraveled when a sex scandal led to his impeachment. Clinton denied having had a sexual affair with Monica Lewinsky, a former White House intern. Independent prosecutor Kenneth Starr, a conservative Republican, concluded that Clinton had committed perjury and obstructed justice and that these actions were grounds

for impeachment. Viewed historically, Americans have usually defined “high crimes and misdemeanors”—the constitutional standard for impeachment—as involving a serious abuse of public trust that endangered the republic. In 1998, conservative Republicans favored a much lower standard because they did not accept Clinton’s legitimacy as president. They vowed to oust him from office for lying about an extramarital affair.

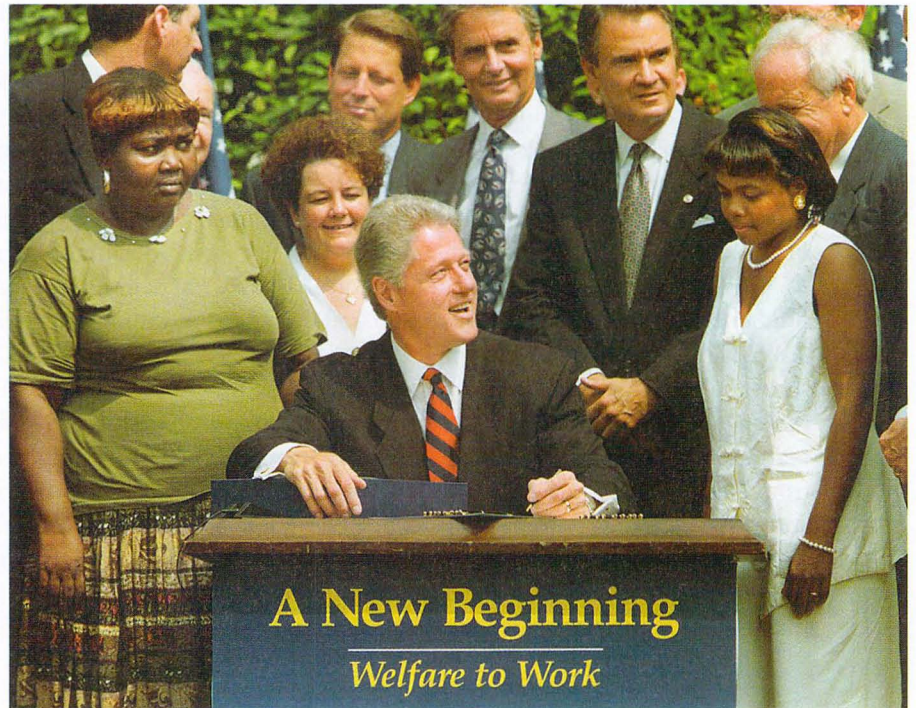
On December 19, the House of Representatives narrowly approved two articles of impeachment. Only a minority of Americans supported the House’s action; according to a CBS News poll, 38 percent favored impeachment while 58 percent opposed it. Lacking public support, in early 1999 Republicans in the Senate fell well short of the two-thirds majority they needed to remove the president. But like Andrew Johnson, the only other president to be tried by the Senate, Clinton and the Democratic Party paid a high price for his acquittal. Preoccupied with defending himself, the president was unable to fashion a Democratic alternative to the Republicans’ domestic agenda. The American public also paid a high price, because the Republicans’ vendetta against Clinton drew attention away from pressing national problems.

Post–Cold War Foreign Policy

Politically weakened domestically after 1994, Clinton believed he could nonetheless make a difference on the international stage. There, post–Cold War developments

Bill Clinton

President William (Bill) Clinton returned the Democratic Party to the White House after twelve years under Ronald Reagan and George H. W. Bush. Clinton was best known politically for what he called the *third way*, a phrase that described his efforts to craft policies that appealed to both liberals and moderates in his party. Here he signs the Welfare Reform Act of 1996 (officially the Personal Responsibility and Work Opportunity Reconciliation Act), which brought an end to the federal AFDC program that Democrats had created in 1935. AP Images.



gave him historic opportunities. The 1990s was a decade of stunning change in Europe and Central Asia. A great arc of newly independent states emerged as the Soviet empire collapsed. The majority of the 142 million people living in the former Soviet states were poor, but the region had a sizable middle class and was rich in natural resources, especially oil and natural gas.

Among the challenges for the United States was the question of whether to support the admission of some of the new states into the North Atlantic Treaty Organization (NATO) (Chapter 25). Many observers believed, with some justification, that extending the NATO alliance into Eastern Europe, right up to Russia's western border, would damage U.S.-Russian relations. However, Czechoslovakia, Poland, and Hungary were also eager to become NATO members—an outcome that would draw into the Western alliance three nations that Stalin had decisively placed in the Soviet sphere of influence at the close of World War II. Clinton encouraged NATO admission for those three countries but stopped short of advocating a broader expansion of the alliance during his terms in office. Nonetheless, by 2010, twelve new nations—most of them in Eastern Europe—had been admitted to the NATO alliance. Nothing symbolized the end of the Cold War more than the fact that ten of those nations were former members of the Warsaw Pact.

The Breakup of Yugoslavia Two of the new NATO states, Slovenia and Croatia, emerged from an intrac-

table set of conflicts that led to the dissolution of the communist nation of Yugoslavia. In 1992, the heavily Muslim province of Bosnia-Herzegovina declared its independence, but its substantial Serbian population refused to live in a Muslim-run multiethnic state. Slobodan Milosevic, an uncompromising Serbian nationalist, launched a ruthless campaign of “ethnic cleansing” to create a Serbian state. In November 1995, Clinton organized a NATO-led bombing campaign and peacekeeping effort, backed by 20,000 American troops, that ended the Serbs’ vicious expansionist drive. Four years later, a new crisis emerged in Kosovo, another province of the Serbian-dominated Federal Republic of Yugoslavia. Again led by the United States, NATO intervened with air strikes and military forces to preserve Kosovo’s autonomy. By 2008, seven independent nations had emerged from the wreckage of Yugoslavia.

America and the Middle East No post-Cold War development proved more challenging than the emergence of radical Islamic movements in the Middle East. Muslim nations there had a long list of grievances against the West. Colonialism—both British and French—in the early decades of the twentieth century had been ruthless. A U.S.-sponsored overthrow of Iran’s government in 1953—and twenty-five years of

PLACE EVENTS IN CONTEXT

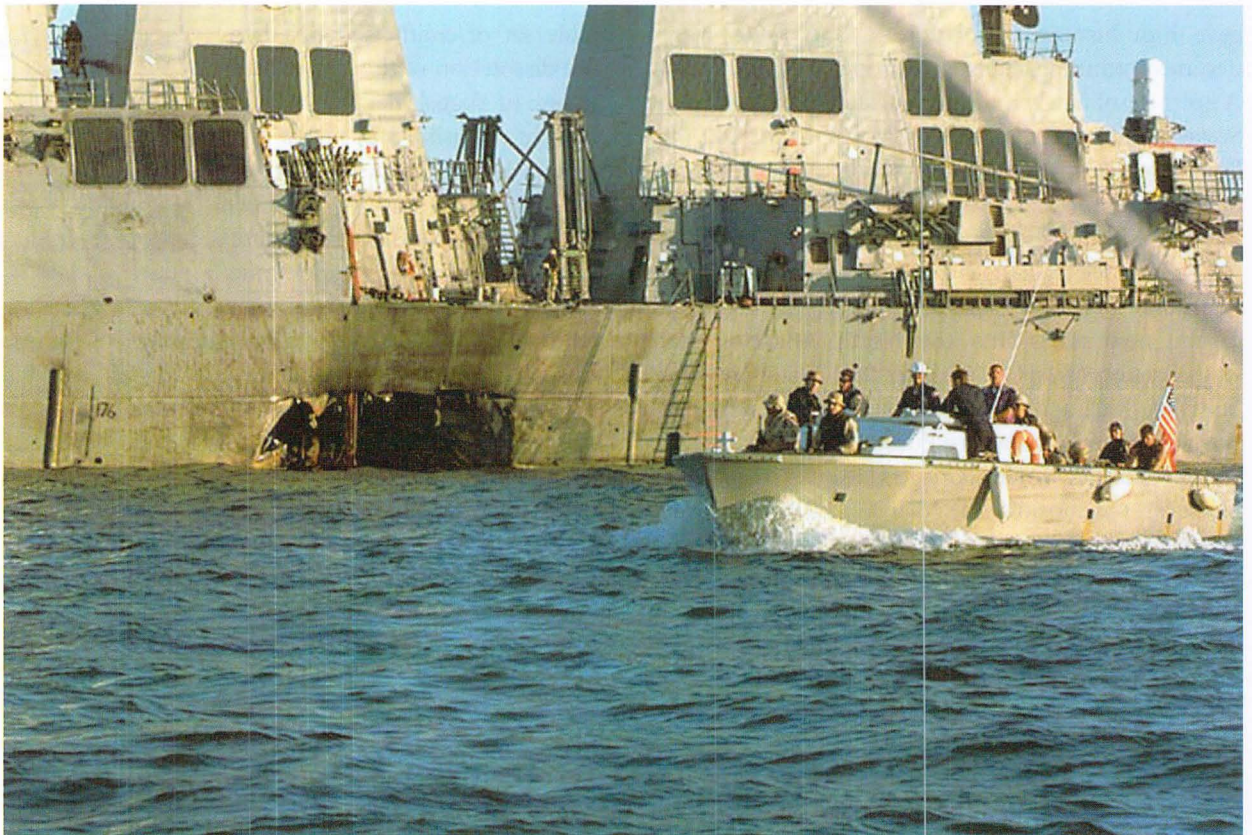
In what specific ways were foreign policy developments during the Clinton presidency evidence of the end of the Cold War?

American support for the Iranian shah—was also a sore point. America's support for Israel in the 1967 Six-Day War and the 1973 Yom Kippur War and its near-unconditional backing of Israel in the 1980s were particularly galling to Muslims. The region's religious and secular moderates complained about these injustices, but many of them had political and economic ties to the West, which constrained their criticism.

This situation left an opening for radical Islamic fundamentalists to build a movement based on fanatical opposition to Western imperialism and consumer culture. These groups interpreted the American presence in Saudi Arabia as signaling new U.S. colonial ambitions in the region. Clinton had inherited from President George H. W. Bush a defeated Iraq and a sizable military force—about 4,000 Air Force personnel—in Saudi Arabia. American fighter jets left Saudi Arabian air bases to fly regular missions over Iraq, enforcing a no-fly zone, where Iraqi planes were

forbidden, and bombing select targets. Clinton also enforced a UN-sanctioned embargo on all trade with Iraq, a policy designed to constrain Saddam Hussein's military that ultimately denied crucial goods to the civilian population. Angered by the continued U.S. presence in Saudi Arabia, Muslim fundamentalists soon began targeting Americans. In 1993, radical Muslim immigrants set off a bomb in a parking garage beneath the World Trade Center in New York City, killing six people and injuring more than a thousand. Terrorists used truck bombs to blow up U.S. embassies in Kenya and Tanzania in 1998, and they bombed the *USS Cole* in the Yemeni port of Aden in 2000.

The Clinton administration knew these attacks were the work of Al Qaeda, a network of radical Islamic terrorists organized by the wealthy Saudi exile Osama bin Laden. In February 1998, bin Laden had issued a call for holy war—a “Jihad against Jews and Crusaders,” in which it was said to be the duty of every Muslim to



Terrorists Bomb *USS Cole*

On October 12, 2000, a radical Muslim group with ties to Al Qaeda detonated a powerful bomb alongside the *USS Cole*, which was refueling in the port of Aden in Yemen. The explosion tore a large hole in the ship's hull, killing seventeen American sailors and injuring thirty-seven others. After repairs costing \$250 million, the *USS Cole* returned to active duty in April 2002. AFP/Getty Images.

kill Americans and their allies. After the embassy attacks, Clinton ordered air strikes on Al Qaeda bases in Afghanistan, where an estimated 15,000 radical operatives had been trained since 1990. The strikes failed to disrupt this growing terrorist network, and when Clinton left office, the Central Intelligence Agency (CIA), the State Department, and the Pentagon were well aware of the potential threat posed by bin Laden's followers. That was where things stood on September 10, 2001.

Into a New Century

In the second decade of the new century, Americans can reflect on two significant developments that have profoundly shaped their own day: the terrorist attack on the United States on September 11, 2001, and the election of the nation's first African American president, Barack Obama, on November 4, 2008. Too little time has passed for us to assess whether either event will be remembered as helping to define the twenty-first century. But both have indelibly marked our present. And both had distinct antecedents and still have profound implications.

The Ascendance of George W. Bush

The 2000 presidential election briefly offered the promise of a break with the intense partisanship of the final Clinton years. The Republican nominee, George W. Bush, the son of President George H. W. Bush, pre-

sented himself as an outsider, deploring Washington partisanship and casting himself as a “uniter, not a divider.” His opponent, Al Gore — Clinton's vice president — was a liberal policy specialist. The election of 2000 would join those of 1876 and 1960 as the closest and most contested in American history. Gore won the popular vote, amassing 50.9 million votes to Bush's 50.4 million, but fell short in the electoral college, 267 to 271. Consumer- and labor-rights activist Ralph Nader ran as the Green Party candidate and drew away precious votes in key states that certainly would have carried Gore to victory.

Late on election night, the vote tally in Florida gave Bush the narrowest of victories. As was their legal prerogative, the Democrats demanded hand recounts in several counties. A month of tumult followed, until the U.S. Supreme Court, voting strictly along conservative/liberal lines, ordered the recount stopped and let Bush's victory stand. Recounting ballots without a consistent standard to determine “voter intent,” the Court reasoned, violated the rights of Floridian voters under the Fourteenth Amendment's equal protection clause. As if acknowledging the frailty of this argument, the Court declared that *Bush v. Gore* was not to be regarded as precedent. But in a dissenting opinion, Justice John Paul Stevens warned that the transparently partisan decision undermined “the Nation's confidence in the judge as an impartial guardian of the rule of law.”

Although Bush had positioned himself as a moderate, countertendencies drove his administration from the start. His vice president, the uncompromising conservative Richard (Dick) Cheney, became, with Bush's

The Contested Vote in Florida, 2000

When the vote recount got under way in Palm Beach, Florida, in 2000, both sides brought out supporters to demonstrate outside the Supervisor of Elections Office, in hopes of influencing the officials doing the counting. In this photograph, supporters of George W. Bush clash with supporters of Al Gore after a rally on November 13, 2000, that had been addressed by Jesse Jackson, the dominant African American figure in the Democratic Party. © Reuters/Corbis.



consent, virtually a copresident. Bush also brought into the administration his campaign advisor, Karl Rove, whose advice made for an exceptionally politicized White House. Rove foreclosed the easygoing centrism of Bush the campaigner by arguing that a permanent Republican majority could be built on the party's conservative base. On Capitol Hill, Rove's hard line was reinforced by Tom DeLay, the House majority leader, who in 1995 had declared "all-out war" on the Democrats. To win that war, DeLay pushed congressional Republicans to endorse a fierce partisanship. The Senate, although more collegial, went through a similar hardening process. After 2002, with Republicans in control of both Congress and the White House, bipartisan law-making came to an end.

Tax Cuts The domestic issue that most engaged President Bush, as it had Ronald Reagan, was taxes. Bush's **Economic Growth and Tax Relief Act** of 2001 had something for everyone. It slashed income tax rates, extended the earned income credit for the poor, and marked the estate tax to be phased out by 2010. A second round of cuts in 2003 targeted dividend income and capital gains. Bush's signature cuts—those favoring big estates and well-to-do owners of stocks and bonds—skewed the distribution of tax benefits upward (Table 31.1). Bush had pushed far beyond any other postwar president, even Reagan, in slashing federal taxes.

Critics warned that such massive tax cuts would plunge the federal government into debt. By 2006, federal expenditures had

jumped 33 percent, at a faster clip than under any president since Lyndon Johnson. Huge increases in health-care costs were the main culprit. Two of the largest federal programs, Medicare and Medicaid—health care for the elderly and the poor, respectively—could not contain runaway medical costs. Midway through Bush's second term, the national debt stood at over \$8 trillion—much of it owned by foreign investors, who also financed the nation's huge trade deficit. On top of that, staggering Social Security and Medicare obligations were coming due for retiring baby boomers. It seemed that these burdens would be passed on to future generations (Figure 31.6).

September 11, 2001 How Bush's presidency might have fared in normal times is another of those unanswerable questions of history. As a candidate in 2000, George W. Bush had said little about foreign policy. He had assumed that his administration would rise or fall on his domestic program. But nine months into his presidency, an altogether different political scenario unfolded. On a sunny September morning, nineteen Islamic terrorists from Al Qaeda hijacked four commercial jets and flew two of them into New York City's World Trade Center, destroying its twin towers and killing more than 2,900 people. A third plane crashed into the Pentagon, near Washington, D.C. The fourth, presumably headed for the White House or possibly the U.S. Capitol, crashed in Pennsylvania when the passengers fought back and thwarted the hijackers. As an outburst of patriotism swept the United States in the wake of the September 11 attacks, George W. Bush proclaimed a "war on terror" and vowed to carry the battle to Al Qaeda.

COMPARE AND CONTRAST

In what ways was George H. W. Bush a political follower of Ronald Reagan (Chapter 30)? In what ways was he not?

TABLE 31.1

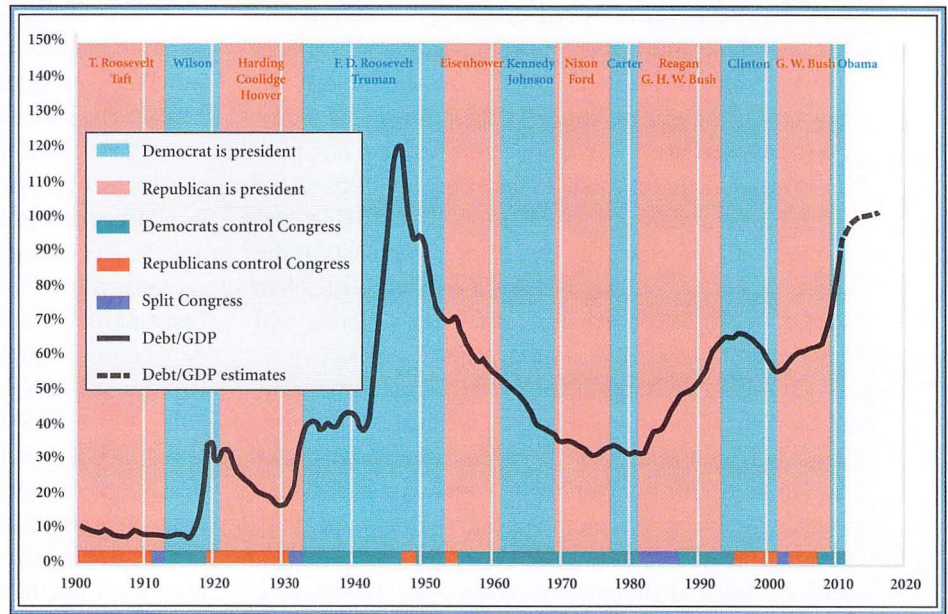
Impact of the Bush Tax Cuts, 2001–2003

Income in 2003	Taxpayers	Gross Income	Total Tax Cut	% Change in		
				Tax Bill	Tax Bill	Tax Rate
Less than \$50,000	92,093,452	\$19,521	\$435	-48%	\$474	2%
\$50,000 to 100,000	26,915,091	70,096	1,656	-21	6,417	9
\$100,000 to 200,000	8,878,643	131,797	3,625	-17	18,281	14
\$200,000 to 500,000	1,999,061	288,296	7,088	-10	60,464	21
\$500,000 to 1,000,000	356,140	677,294	22,479	-12	169,074	25
\$1,000,000 to 10,000,000	175,157	2,146,100	84,666	-13	554,286	26
\$10,000,000 or more	6,126	25,975,532	1,019,369	-15	5,780,926	22

SOURCE: *New York Times*, April 5, 2006.

FIGURE 31.6
Gross Federal Debt as a Percentage of Gross Domestic Product

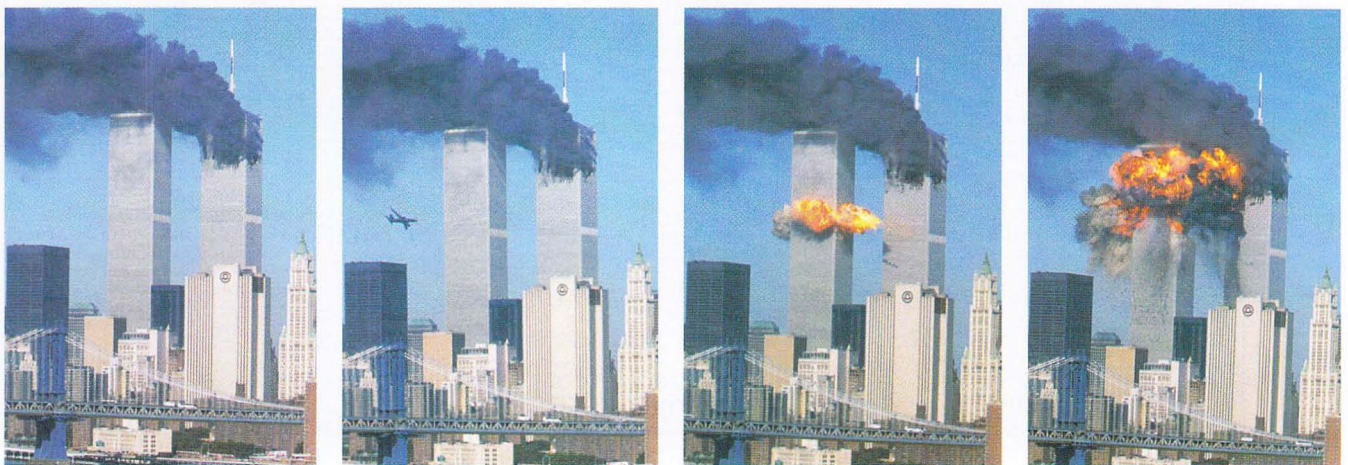
Economists argue that the best measure of a nation's debt is its size relative to the overall economy—that is, its percentage of gross domestic product (GDP). The size of the total U.S. debt declined from its World War II high until the 1980s, when it increased dramatically under President Reagan. Since then, the debt has consistently increased as a percentage of GDP, aside from a small decline under President Clinton's deficit-reduction plans in the mid-1990s. Source: dshort.com.



Operating out of Afghanistan, where they had been harbored by the fundamentalist Taliban regime, the elusive Al Qaeda briefly offered a clear target. In October 2001, while Afghani allies carried the ground war, American planes attacked the enemy. By early 2002, this lethal combination had ousted the Taliban, destroyed Al Qaeda's training camps, and killed or captured many of its operatives. However, the big prize, Al Qaeda leader Osama bin Laden, had retreated to a

mountain redoubt. Inexplicably, U.S. forces failed to press the attack, and bin Laden escaped over the border into Pakistan.

The Invasion of Iraq On the domestic side, Bush declared the terrorist threat too big to be contained by ordinary law-enforcement means. He wanted the government's powers of domestic surveillance placed on a wartime footing. With little debate, in 2001 Congress



September 11, 2001

Photographers at the scene after a plane crashed into the north tower of New York City's World Trade Center on September 11 found themselves recording a defining moment in the nation's history. When a second airliner approached and then slammed into the building's south tower at 9:03 A.M., the nation knew this was no accident. The United States was under attack. Of the 2,843 people killed on that day, 2,617 died at the World Trade Center. Robert Clark/Institute Artist Management.

passed the **USA PATRIOT Act**, granting the administration sweeping authority to monitor citizens and apprehend suspected terrorists. On the international front, Bush used the war on terror as the premise for a new policy of preventive war. Under international law, only an imminent threat justified a nation's right to strike first. Now, under the so-called Bush doctrine, the United States lowered the bar. It reserved for itself the right to act in "anticipatory self-defense." In 2002, President Bush singled out Iran, North Korea, and Iraq — "an axis of evil" — as the targeted states.

Of the three, Iraq was the preferred mark. Officials in the Pentagon regarded Iraq as unfinished business, left over from the Gulf War of 1991. More grandly, they saw in Iraq an opportunity to unveil America's supposed mission to democratize the world. Iraqis, they believed, would abandon the tyrant Saddam Hussein and embrace democracy if given the chance. The democratizing effect would spread across the Middle East, toppling or reforming other unpopular Arab regimes and stabilizing the region. That, in turn, would secure the Middle East's oil supply, whose fragility Saddam's 1990 invasion of Kuwait had made all too clear. It was the oil, in the end, that was of vital interest to the United States (Map 31.4).

None of these considerations, either singly or together, met Bush's declared threshold for preventive war. So the president reluctantly acceded to the demand by America's anxious European allies that the United States go to the UN Security Council, which demanded that Saddam Hussein allow the return of the UN weapons inspectors expelled in 1998. Saddam surprisingly agreed. Nevertheless, anxious to invade Iraq for its own reasons, the Bush administration geared up for war. Insisting that Iraq constituted a "grave and gathering danger" and ignoring its failure to secure a second, legitimizing UN resolution, Bush invaded in March 2003. America's one major ally in the rush to war was Great Britain. Relations with France and Germany became poisonous. Even neighboring Mexico and Canada condemned the invasion, and Turkey, a key military ally, refused transit permission, ruining the army's plan for a northern thrust into Iraq. As for the Arab world, it exploded in anti-American demonstrations.

Within three weeks, American troops had taken the Iraqi capital. The regime collapsed, and its leaders went into hiding (Saddam Hussein was captured nine months later). But despite meticulous military planning, the Pentagon had made no provision for post-conflict operations. Thousands of poor Iraqis looted



MAP 31.4
U.S. Involvement in the Middle East, 1979–2010

The United States has long played an active role in the Middle East, driven by the strategic importance of that region and, most important, by America's need to ensure a reliable supply of oil from the Persian Gulf states. This map shows the highlights of that troubled involvement, from the Tehran embassy hostage taking in 1979 to the invasion and current occupation of both Iraq and Afghanistan.

everything they could get their hands on, shattering the infrastructure of Iraq's cities and leaving them without reliable supplies of electricity and water. In the midst of this turmoil, an insurgency began, sparked by Sunni Muslims who had dominated Iraq under Saddam's Baathist regime.

Iraq's Shiite majority, long oppressed by Saddam, at first welcomed the Americans, but extremist Shiite elements soon turned hostile, and U.S. forces found themselves under fire from both sides. With the borders unguarded, Al Qaeda supporters flocked in from all over the Middle East, eager to do battle with the infidel Americans, bringing along a specialty of the jihad: the suicide bomber.

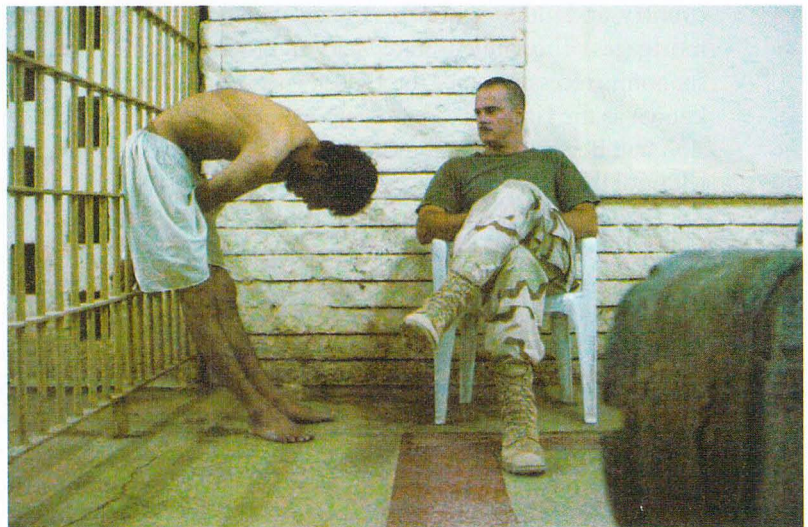
Blinded by their own nationalism, dominant nations tend to underestimate the strength of nationalism in other people. Lyndon Johnson discovered this in Vietnam. Soviet premier Leonid Brezhnev discovered it in Afghanistan. And George W. Bush rediscovered it in Iraq. Although it was hard for Americans to believe, Iraqis of all stripes viewed the U.S. forces as invaders. Moreover, in a war against insurgents, no occupation force comes out with clean hands. In 2004 in Iraq, that painful truth burst forth graphically in photographs showing American guards at Baghdad's **Abu Ghraib prison** abusing and torturing suspected insurgents. The ghastly images shocked the world. For Muslims, they offered final proof of American treachery. At that low point, in 2004, the United States had spent upward of \$100 billion. More than 1,000 American soldiers had died, and 10,000 others had been wounded, many maimed for life. But if the United States pulled out, Iraq would descend into chaos. So, as Bush took to saying, the United States had to "stay the course."

The 2004 Election As the 2004 presidential election approached, Rove, Bush's top advisor, theorized that stirring the culture wars and emphasizing patriotism and Bush's war on terror would mobilize conservatives to vote for Bush. Rove encouraged activists to place antigay initiatives on the ballot in key states to draw conservative voters to the polls; in all, eleven states would pass ballot initiatives that wrote bans on gay marriage equality into state constitutions that year. The Democratic nominee, Senator John Kerry of Massachusetts, was a Vietnam hero, twice wounded and decorated for bravery—in contrast to the president, who had spent the Vietnam years comfortably in the Texas Air National Guard. But when Kerry returned from service in Vietnam, he had joined the antiwar group Vietnam Veterans Against the War and in 1971 had delivered a blistering critique of the war to the Senate Armed Services Committee. In the logic of the culture wars, this made him vulnerable to charges of being weak and unpatriotic.

The Democratic convention in August was a tableau of patriotism, filled with waving flags, retired generals, and Kerry's Vietnam buddies. However, a sudden onslaught of slickly produced television ads by a group calling itself Swift Boat Veterans for Truth, falsely charging that Kerry had lied to win his medals, fatally undercut his advantage. Nor did it help that Kerry, as a three-term senator, had a lengthy record that was easily mined for hard-to-explain votes. Republicans tagged him a "flip-flopper," and the accusation, endlessly repeated, stuck. Nearly 60 percent of eligible voters—the highest percentage since 1968—went to the polls. Bush beat Kerry, with 286 electoral votes to Kerry's 252. In exit polls, Bush did well among voters

Abu Ghraib

This image of one of the milder forms of torture experienced by inmates at the Abu Ghraib prison was obtained by the Associated Press in 2003. It shows a detainee bent over with his hands through the bars of a cell while being watched by a comfortably seated soldier. This photograph and others showing far worse treatment administered by sometimes jeering military personnel outraged many in the United States and abroad, particularly in the Muslim world. B.K. Bangash/AP Images.



for whom moral “values” and national security were top concerns. Voters told interviewers that Bush made them feel “safer.” Bush was no longer a minority president. He had won a clear, if narrow, popular majority.

Violence Abroad and Economic Collapse at Home

George Bush’s second term was defined by crisis management. In 2005, Hurricane Katrina — one of the deadliest hurricanes in the nation’s history — devastated New Orleans. Chaos ensued as floodwaters breached earthen barricades surrounding the city. Many residents remained without food, drinking water, or shelter for days following the storm, and deaths mounted — the final death toll stood at more than 2,000. Initial emergency responses to the catastrophe by federal and local authorities were uncoordinated and inadequate. Because the hardest-hit parts of the city were poor and African American, Katrina had revealed the poverty and vulnerability at the heart of American cities.

The run of crises did not abate after Katrina. Increasing violence and a rising insurgency in Iraq made the war there even more unpopular in the United States. In 2007, changes in U.S. military strategy helped quell some of the worst violence, but the war dragged into its fifth and sixth years under Bush’s watch. A war-weary public grew impatient. Then, in 2008, the American economy began to stumble. By the fall, the Dow Jones Industrial Average had lost half its total value, and major banks, insurance companies, and financial institutions were on the verge of collapse. The entire automobile industry was near bankruptcy. Millions of Americans lost their jobs, and the unemployment rate surged to 10 percent. Housing prices dropped by as much as 40 percent in some parts of the country, and millions of Americans defaulted on their mortgages. The United States had entered the worst economic recession since the 1930s, what soon became known as the Great Recession — technically, the recession had begun in 2007, but its major effects were not felt until the fall of 2008.

The 2008 presidential election took shape in that perilous context. In a historically remarkable primary season, the Democratic nomination was contested between the first woman and the first African American to be viable presidential contenders, Hillary Rodham Clinton and Barack Hussein Obama. In a close-fought contest, Obama had emerged by early summer as the nominee.

Meanwhile, the Bush administration confronted an economy in free fall. In September, less than two

months before the election, Secretary of the Treasury Henry Paulson urged Congress to pass the Emergency Economic Stabilization Act, commonly referred to as the bailout of the financial sector. Passed in early October, the act dedicated \$700 billion to rescuing many of the nation’s largest banks and brokerage houses. Between Congress’s actions and the independent efforts of the Treasury Department and the Federal Reserve, the U.S. government invested close to \$1 trillion in saving the nation’s financial system.

The Obama Presidency

During his campaign for the presidency against Republican senator John McCain, Barack Obama, a Democratic senator from Illinois, established himself as a unique figure in American politics. The son of an African immigrant-student and a young white woman from Kansas, Obama was raised in Hawaii and Indonesia, and he easily connected with an increasingly multiracial and multicultural America. A generation younger than Bill Clinton and George W. Bush, Obama (born in 1961) seemed at once a product of the 1960s, especially civil rights gains, and outside its heated conflicts.

Obama took the oath of office of the presidency on January 21, 2009, amid the deepest economic recession since the Great Depression and with the United States mired in two wars in the Middle East. From the podium, the new president recognized the crises and worried about “a nagging fear that America’s decline is inevitable.” But Obama also hoped to strike an optimistic tone. Americans, he said, must “begin again the work of remaking America.”

“Remaking America” A nation that a mere two generations ago would not allow black Americans to dine with white Americans had elected a black man to the highest office. Obama himself was less taken with this historic accomplishment — which was also part of his deliberate strategy to downplay race — than with developing a plan to deal with the nation’s innumerable challenges, at home and abroad. With explicit comparisons to Franklin Roosevelt, Obama used the “first hundred days” of his presidency to lay out an ambitious agenda: an economic stimulus package of federal spending to invigorate the economy; plans to draw down the war in Iraq and refocus American military efforts in Afghanistan; a reform of the nation’s health insurance system; and new federal laws to regulate Wall Street.

Remarkably, the president accomplished much of that agenda. The Democratic-controlled Congress

Barack Obama

In 2008, Barack Obama became the first African American president in U.S. history. And in 2012, he was reelected to a second term. Here, President Obama and First Lady Michelle Obama walk along Pennsylvania Avenue during his second inauguration. Chip Somodevilla/Getty Images.



elected alongside Obama passed the **American Recovery and Reinvestment Act**, an economic stimulus bill that provided \$787 billion to state and local governments for schools, hospitals, and transportation projects (roads, bridges, and rail) — one of the largest single packages of government spending in American history. Congress next passed the Wall Street Reform and Consumer Protection Act, a complex law that added new regulations limiting the financial industry and new consumer protections. Political debate over both measures was heated. Critics on the left argued that Obama and Congress had been too cautious, given the scale of the nation's problems, while those on the right decried both laws as irresponsible government interference in private investment.

Political debate was fiercest, however, over Obama's health insurance reform proposal. Obama encouraged congressional Democrats to put forth their own proposals, while he worked to find Republican allies who might be persuaded to support the first major reform of the nation's health-care system since the introduction of Medicare in 1965. None came forward. Moreover, as debate dragged on, a set of far-right opposition groups, known collectively as the **Tea Party**, emerged. Giving voice to the extreme individualism and antigovernment sentiment traditionally associated with right-wing movements in the United States, the Tea Party rallied Americans against Obama's health-care bill. Despite the opposition, the legislation (officially called the **Patient Protection and Affordable Care Act**) passed,

and Obama signed it into law on March 23, 2010. However, political opposition and the powerful lobbying of the private health insurance industry ensured that the new law contained enough compromises that few could predict its long-term impact.

Following the legislative victories of his first two years in office, President Obama faced a divided Congress. Democrats lost control of the House of Representatives in 2010 and failed to regain it in 2012. With the legislative process stalled, Obama used executive authority to advance his broader, cautiously liberal, agenda. In 2011, for instance, the president repealed the military's "Don't Ask, Don't Tell" policy and ordered that gay men and lesbians be allowed to serve openly in the armed forces. And he made two appointments to the Supreme Court: Sonia Sotomayor in 2009, the first Latina to serve on the high court, and Elena Kagan in 2010. Both Sotomayor and Kagan are committed liberals, though they serve on a Court that has shifted to the right under Chief Justice John Roberts, a George W. Bush appointee.

War and Instability in the Middle East Even as he pursued an ambitious domestic agenda, Obama faced two wars in the Middle East that he inherited from his predecessor. Determined to end American occupation of Iraq, the president began in 2010 to draw down

IDENTIFY CAUSES

As the nation's first African American president, what kinds of unique challenges did Barack Obama face, and how did these issues impact his presidency?

troops stationed there, and the last convoy of U.S. soldiers departed in late 2011. The nine-year war in Iraq, begun to find alleged weapons of mass destruction, had followed a long and bloody arc to its end. Disengaging from Afghanistan proved more difficult. Early in his first term, the president ordered an additional 30,000 American troops to parts of the country where the Taliban had regained control—a “surge” he believed necessary to avoid further Taliban victories. Securing long-term political stability in this fractious nation, however, has eluded Obama. Leaving with the least damage done was his only viable option, and he pledged to withdraw all U.S. troops by 2014.

Meanwhile, a host of events in the Middle East deepened the region’s volatility. In late 2010, a series of multicountry demonstrations and protests, dubbed the Arab Spring, began to topple some of the region’s autocratic rulers. Leaders in Egypt, Tunisia, Libya, and Yemen were forced from power by mass movements calling for greater democracy. These movements, which the Obama administration has cautiously supported, continue to reverberate in more than a dozen nations in the Middle East. Not long after the Arab Spring was under way, in May 2011, U.S. Special Forces found and killed Osama bin Laden in Pakistan, where he had been hiding for many years. Obama received much praise for the tactics that led to the discovery of bin Laden. More controversial has been the president’s use of “drone” strikes to assassinate Al Qaeda leaders and other U.S. enemies in the region.

Climate Change American wars and other involvement in the Middle East hinged on the region’s centrality to global oil production. Oil is important in another sense, however: its role in climate change. Scientists have known for decades that the production of energy through the burning of carbon-based substances (especially petroleum and coal) increases the presence of so-called greenhouse gases in the atmosphere, warming the earth. Increasing temperatures will produce dramatically new weather patterns and rising sea levels, developments that threaten agriculture, the global distributions of plant and animal life, and whole cities and regions at or near the current sea level. How to halt, or at least mitigate, climate change has been one of the most pressing issues of the twenty-first century.

Arriving at a scientific consensus on climate change has proven easier than developing government policies to address it. This has been especially true in the United States, where oil company lobbyists, defenders of free-market capitalism, and conservatives who deny global warming altogether have been instrumental in

blocking action. For instance, the United States is not a signatory to the major international treaty—the so-called Kyoto Protocol—that is designed to reduce carbon emissions. Legislative proposals have not fared better. Cap-and-trade legislation, so named because it places a cap on individual polluters’ emissions but allows those companies to trade for more emission allowances from low polluters, has stalled in Congress. Another proposal, a tax on carbon emissions, has likewise gained little political support. There is little doubt, however, that global climate change, and the role of the United States in both causing and mitigating it, will remain among the most critical questions of the next decades.

Electoral Shifts It remains to be seen how the Obama presidency will affect American politics. From one vantage point, Obama looks like the beneficiary of an electoral shift in a liberal direction. Since 1992, Democrats have won the popular vote in five of the last six presidential elections, and in 2008 Obama won a greater share of the popular vote (nearly 53 percent) than either Clinton (who won 43 percent in 1992 and 49 percent in 1996) or Gore (48 percent in 2000). In his bid for reelection in 2012 against Republican nominee Mitt Romney, Obama won a lower percentage of the popular vote (51 percent) but still won by a comfortable margin of nearly 5 million votes. He won the support of 93 percent of African Americans, 71 percent of Hispanics, 73 percent of Asian Americans, 55 percent of women, and 60 percent of Americans under the age of thirty. His coalition was multiracial, heavily female, and young.

From another vantage point, any electoral shift toward liberalism appears contingent and fragile. Even with Democratic majorities in both houses of Congress that rivaled Franklin Roosevelt’s in 1937 and Lyndon Johnson’s in 1965, Obama in 2009–2010 was not able to generate political momentum for the kind of legislative advances achieved by those presidential forerunners. The history of Obama’s presidency, and of the early twenty-first century more broadly, continues to unfold.

SUMMARY

This chapter has stressed how globalization—the worldwide flow of capital, goods, and people—entered a new phase after the end of the Cold War. The number of multinational corporations, many of them based in the United States, increased dramatically, and people, goods, and investment capital moved easily across

political boundaries. Financial markets, in particular, grew increasingly open and interconnected across the globe. Technological innovations strengthened the American economy and transformed daily life. The computer revolution and the spread of the Internet changed the ways in which Americans shopped, worked, learned, and stayed in touch with family and friends. Globalization facilitated the immigration of millions of Asians and Latin Americans into the United States.

In the decades since 1989, American life has been characterized by the dilemmas presented by the twin issues of globalization and divisive cultural politics. Conservatives spoke out strongly, and with increasing effectiveness, against multiculturalism and what they viewed as serious threats to “family values.” Debates

over access to abortion, affirmative action, and the legal rights of homosexuals intensified. The terrorist attacks of September 11, 2001, diverted attention from this increasingly bitter partisanship, but that partisanship was revived after President Bush’s decision to invade Iraq (a nation not involved in the events of 9/11) in 2003 led to a protracted war. When Barack Obama was elected in 2008, the first African American president in the nation’s history, he inherited two wars and the Great Recession, the most significant economic collapse since the 1930s. His, and the nation’s, efforts to address these and other pressing issues — including the national debt and global climate change — remain ongoing, unfinished business after Obama’s reelection in 2012.

CHAPTER REVIEW

MAKE IT STICK Go to **LearningCurve** to retain what you’ve read.



TERMS TO KNOW Identify and explain the significance of each term below.

Key Concepts and Events

Al Qaeda (p. 1002)
 globalization (p. 1004)
 World Trade Organization (WTO) (p. 1004)
 Group of Eight (G8) (p. 1009)
 North American Free Trade Agreement (NAFTA) (p. 1010)
 multinational corporations (p. 1010)
 Advanced Research Projects Agency Network (ARPANET) (p. 1012)
 World Wide Web (p. 1012)
 culture war (p. 1012)
 Immigration and Nationality Act (p. 1012)
 multiculturalism (p. 1015)
 Proposition 209 (p. 1015)
 Operation Rescue (p. 1019)
 Defense of Marriage Act (p. 1020)

Webster v. Reproductive Health Services (p. 1020)
Planned Parenthood of Southeastern Pennsylvania v. Casey (p. 1020)
Lawrence v. Texas (p. 1020)
 Contract with America (p. 1021)
 Personal Responsibility and Work Opportunity Reconciliation Act (p. 1023)
 Economic Growth and Tax Relief Act (p. 1026)
 USA PATRIOT Act (p. 1028)
 Abu Ghraib prison (p. 1029)
 American Recovery and Reinvestment Act (p. 1031)
 Tea Party (p. 1031)
 Patient Protection and Affordable Care Act (p. 1031)

Key People

Osama bin Laden (p. 1024)
 William (Bill) Clinton (p. 1020)
 Hillary Rodham Clinton (p. 1022)
 Newt Gingrich (p. 1021)
 Monica Lewinsky (p. 1023)
 George W. Bush (p. 1025)
 Saddam Hussein (p. 1028)
 Barack Obama (p. 1030)

REVIEW QUESTIONS

Answer these questions to demonstrate your understanding of the chapter's main ideas.

1. What connections do you see between globalization and the “culture wars” of the 1990s?
2. In what ways has the United States's role in the world changed since the end of the Cold War? In what ways has it remained the same?
3. How did immigration to the United States in the last two decades of the twentieth century and the first decade of the twenty-first benefit the American economy but produce political backlash?
4. **THEMATIC UNDERSTANDING** Review the events included on the thematic timeline on page 971. In what ways does the period between 1992 (Bill Clinton's election) and 2012 (Barack Obama's reelection) suggest a postliberal era in American politics? In what ways was the conservative resurgence under Reagan preserved, and in what ways was it not?

MAKING CONNECTIONS

Recognize the larger developments and continuities within and across chapters by answering these questions.

1. **ACROSS TIME AND PLACE** How would you compare the Iraq War with previous wars in U.S. history? Compare in particular the reasons for entering the war, support for the war abroad and at home, and the outcome of the conflict.
2. **VISUAL EVIDENCE** What does the photograph on page 1011 convey about the technological and social changes that the digital revolution has wrought on American life?

MORE TO EXPLORE

Start here to learn more about the events discussed in this chapter.

William Berman, *From the Center to the Edge: The Politics and Policies of the Clinton Presidency* (2001). An in-depth exploration of Clinton's politics and policies.

Richard A. Clarke, *Against All Enemies: Inside America's War on Terror* (2004). A critique of the war on terror from President Clinton's former chief counterterrorism advisor.

Alfred Eckes Jr. and Thomas Zeilin, *Globalization and the American Century* (2003). Shows that globalization for the United States has a long history, at least to 1898.

Gertrude Himmelfarb, *One Nation, Two Cultures* (1999). A compelling explanation of the divisive politics of the 1990s.

Barack Obama, *Dreams from My Father: A Story of Race and Inheritance* (1995). The president's first memoir makes compelling reading.

See the September 11 Digital Archive at 911digitalarchive.org/ for oral histories and both still and moving images from September 11.

TIMELINE Ask yourself why this chapter begins and ends with these dates and then identify the links among related events.

1992	<ul style="list-style-type: none"> • Democratic moderate Bill Clinton elected president • <i>Planned Parenthood of Southeastern Pennsylvania v. Casey</i>
1993	<ul style="list-style-type: none"> • North American Free Trade Agreement (NAFTA) • Clinton budget plan balances federal budget and begins to pay down federal debt
1994	<ul style="list-style-type: none"> • Clinton health insurance reform effort fails • Republicans gain control of Congress
1995	<ul style="list-style-type: none"> • U.S. troops enforce peace in Bosnia
1996	<ul style="list-style-type: none"> • Personal Responsibility and Work Opportunity Reconciliation Act reforms welfare system • Defense of Marriage Act
1998	<ul style="list-style-type: none"> • Bill Clinton impeached by House of Representatives
1999	<ul style="list-style-type: none"> • Clinton acquitted by Senate • World Trade Organization (WTO) protests
2000	<ul style="list-style-type: none"> • George W. Bush wins contested presidential election
2001	<ul style="list-style-type: none"> • Bush tax cuts • September 11: Al Qaeda terrorists attack World Trade Center and Pentagon • Congress passes USA PATRIOT Act
2002	<ul style="list-style-type: none"> • United States unseats Taliban in Afghanistan • President Bush declares Iran, North Korea, and Iraq an “axis of evil”
2003	<ul style="list-style-type: none"> • United States invades Iraq in March
2004	<ul style="list-style-type: none"> • Torture at Abu Ghraib prison becomes public • President Bush wins reelection
2007	<ul style="list-style-type: none"> • Great Recession begins
2008	<ul style="list-style-type: none"> • Barack Obama elected president • American Recovery and Reinvestment Act
2010	<ul style="list-style-type: none"> • Patient Protection and Affordable Care Act • “Don’t Ask, Don’t Tell” military policy on homosexuality ended
2011	<ul style="list-style-type: none"> • Osama bin Laden killed by U.S. forces • Last U.S. combat troops withdrawn from Iraq
2013	<ul style="list-style-type: none"> • Continued drawdown of U.S. forces in Afghanistan toward planned full exit by 2014

KEY TURNING POINTS: Based on the timeline, what were the major domestic and foreign policy challenges between the 1990s and 2013?