

## **THE 1970s & 1980s**

### **I. Foreign policy issues during Nixon's presidency**

#### **A. Detente: shift in U.S. policy toward communism**

1. Sec. of State Henry Kissinger traveled to China and the Soviet Union for secret sessions to plan summit meetings with the communists.
2. Nixon believed USSR and China clashing over their interpretations of Marxism could give U.S. opportunity to play off one against the other.
3. Nixon also hoped to gain their aid in pressuring North Vietnam into peace.
4. Nixon and Kissinger's policies
  - a. realpolitik: Nation should pursue policies and make alliances based on its national interests rather than on any particular view of the world.
  - b. Balance of power -- "It will be a safer world and a better world if we have a strong, healthy, United States, Europe, Soviet Union, China, Japan -- each balancing the other." -- Nixon in 1971-- détente was the key to this balance.

#### **B. China visit, 1972**

1. February 1972, Nixon and Kissinger went to China to meet with Mao Zedong and his associates.
2. Recognition of China
  - a. U.S. agreed to support China's admission to the United Nations and to pursue economic and cultural exchanges.
  - b. Reversed U.S. policy of not recognizing the Chinese revolution in 1949.
  - c. China officially recognized by U.S. in 1979.

#### **C. Soviet Union and détente**

1. Czechoslovakia invaded (1968) by Soviets seeking to squash student reform movement.
  - a. Czechoslovakia became one of strictest govt's in E. Europe for two decades.
  - b. U.S., preoccupied with Vietnam, could do little to aid Czech reformers
2. Nixon's Moscow visit -- May 1972, Nixon played his "China card" with the Kremlin.
  - a. Soviets wanted U.S. foodstuffs and feared intensified rivalry with a US-backed China.
  - b. Chairman Leonoid Brezhnev approached Nixon about nuclear reduction talks.-- Nixon flew to Russia to sign the historic arms treaty.
- c. Nixon's visit ushered in an era of relaxed tensions called détente.
  - i. Policy sought to establish rules to govern the rivalry between the U.S. and the Soviet Union and China.
  - ii. Resulted in several significant agreements.
  - iii. Agreements significant as they were made before US withdrew from Vietnam.
3. SALT I (Strategic Arms Limitation Treaty) signed in May, 1972.
  - a. U.S. and USSR agreed to stop making nuclear ballistic missiles and to reduce the number of antiballistic missiles to 200 for each power.
  - b. Treaties moot by U.S. development of "MIRVs" (Multiple Independently Targeted Reentry Vehicles) -- 1 missile could carry many warheads
  - c. Both U.S. and Soviets had nearly 20,000 warheads by 1990s!
4. Grain deal of 1972 -- 3-year arrangement by which the U.S. agreed to sell at least

\$750 million worth of wheat, corn, and other cereals to the Soviet Union.

5. Détente evaluated

a. Successful overall as U.S. checkmated and co-opted the two great Communist powers into helping end the Vietnam War.

b. Did not end the arms race

D. Energy Crisis, 1973 (sometimes called "Oil Crisis")

1. Yom Kippur War of 1973 resulted in bitterness among Arabs toward Western nations for their support of Israel.

2. Arab Oil Embargo

a. Arab states established an oil boycott to push the Western nations into forcing Israel to withdraw from lands controlled since the "Six Day War" of 1967

b. Kissinger negotiated withdrawal of Israel west of the Suez Canal and the Arabs lifted their boycott.

3. OPEC (Organization of Petroleum Exporting Countries) inc. Venezuela, Saudi Arabia, Kuwait, Iraq, and Iran, raised the price of oil from about \$3 to \$11.65/ barrel in an attempt to force U.S. to recognize the Palestine Liberation Organization (PLO) and support other Arab demands.

a. U.S. gas prices doubled and inflation shot above 10%.

b. Nixon refused to ration gasoline and an acute gasoline shortage ensued.

II. Nixon's Domestic Policy

A. "New Federalism"

1. Revenue sharing --Congress passed in 1972 a five year plan to distribute \$30 billion of federal revenues to the states.

2. Nixon proposed bulk of welfare payments be shifted to the states and a "minimum income" be established for poor families, but did not push the program through Congress.

B. Civil Rights

1. Nixon sought to block renewal of the Voting Rights Act and delay implementation of court ordered school desegregation in Mississippi.

2. Supreme Court ordered busing of students in 1971 to achieve school desegregation. -- Nixon proposed an anti-busing bill but Congress blocked it.

3. Nixon furthered affirmative action by establishing goals and timetables for companies to hire women and minorities.

C. Appointed Warren E. Burger, a conservative, as Chief Justice of Supreme Court

1. Although more conservative than Warren court, Burger court declared the death penalty, as used at the time, as unconstitutional in 1972.

2. Row v. Wade, 1973 -- Struck down state anti-abortion legislation.

D. Congressional Legislation (none of the following supported by Nixon)

1. 18 year olds given the right to vote in 1970

a. 26th Amendment in 1971

b. Congress reasoned a person old enough to die for his country should have right to vote.

2. Social Security benefits and funding for food stamps increased in 1970.

3. Occupational Safety and Health Act (OSHA) -- 1970

-- Agency would monitor worker safety conditions.

4. Federal Election Campaign Act: would reduce campaign contributions

#### E. Environmentalism

1. Earth Day, April 22, 1970 seen as beginning of the nation's environmental era.

2. Environmental Protection Agency (EPA) est. by Nixon in 1970 (to stall the environmental movement) a. Its inception climaxed two decades of environmentalism

-- Rachel Carson's Silent Spring (1962) exposed poisonous effects of pesticides.

b. Eventually the EPA stood on the front line of the battle for a clean environment.

c. Progress made in subsequent decades on reducing automobile emissions and cleaning up polluted rivers and lakes.

d. Nixon & Ford opposed to environmental legislation during their terms due to conservative perceptions of over-regulation of businesses & increased costs.

#### 3. Toxic Waste

a. Example: Love Canal, NY

i. Soil and groundwater so polluted EPA declared town unfit for habitation.

ii. Residents evacuated, homes boarded up, community sealed off by a tall chain-link fence.

b. Superfund established in 1980 by President Carter (law aimed at cleaning toxic dumps)

-- Impact: Release of selected toxic chemicals down 46%

#### 4. Protest over nuclear power

a. Three Mile Island -- March, 1979 in Harrisburg, PA

i. Worst nuclear disaster in U.S. history; core released radioactive water and steam.

ii. Officials feared massive radiation release but it never came.

iii. reactor shut down for 6 years.

iv. 100,000 residents evacuated.

b. Environmental groups stepped-up their protests but the powerful nuclear power lobby prevented any significant change.

#### 5. Endangered Species Act, 1973

a. Area of protected land and water increased 300%

b. Recovered species include bald eagle, peregrine falcon, gray whale.

c. Criticism: Wetlands regulations and Endangered Species Act imposed unconstitutional restrictions on landowners. Too much valuable land taken out of production and off the tax rolls.

#### F. Economic Problems and Policy

1. 1969, Nixon cut spending and raised taxes. Encouraged Federal Reserve Board to raise interest rates but the economy grew worse.

2. Unemployment climbed to 6% in 1970 while real gross national product declined in 1970. U.S. experienced a trade deficit in 1971.

3. Inflation reached 12% by 1971

-- Cost of living more than tripled from 1969 to 1981; longest and steepest inflationary cycle in U.S. history.

4. Price and wage controls

- a. 1970, Congress gave president the power to regulate prices and wages
  - b. 1971, Nixon announced a 90-day price and wage freeze and took the U.S. off the gold standard.
  - c. At end of 90 days, he est. mandatory guidelines for wage and price increases.
  - d. 1973, Nixon turned to voluntary wage and price controls except on health care, food, and construction.
  - e. When inflation increased rapidly, Nixon cut back on government expenditures, refusing to spend funds already appropriated by Congress (impounding).
5. Why did the U.S. economy stagnate?

- a. Federal deficits in the 1960s during "Great Society" and Vietnam War
  - b. International competition especially from Germany and Japan
    - i. U.S. losing its economic hegemony since the days following WWII.
    - ii. U.S. complacent; saw little need initially to modernize plants and seek more efficient methods of production.
  - c. Rising energy costs esp. due to situation in the Middle East.
  - d. Increase in numbers of women and teenagers in the work force took part-time jobs and were less likely to develop skills in the long-term.
  - e. Shift of the economy from manufacturing to services where productivity gains were allegedly more difficult to achieve.
  - f. Military and welfare spending during 1960s inflationary (in the absence of off-setting taxes) because they give people money without adding to the supply of goods those dollars can buy.
6. Stagflation by mid-1970s (plagued Ford and Carter presidencies)
- 1. Slowing productivity and rising inflation -- rare.
  - 2. Industry slowed down in the 1970s while inflation hit 11% in 1974
  - 3. Unemployment hit over 9% in 1975

### III. Election of 1972

#### A. Nominees

- 1. Democrats nominated George McGovern
  - McGovern hampered by a party divided over the war and social policies as well as his own relative radicalism.
- 2. George Wallace ran again as the American Independent candidate
  - Shot on May 15 and left paralyzed below the waste.
- 3. Richard Nixon and Spiro T. Agnew renominated by the Republican party.
  - a. Emphasized that he had wound the "Democratic War" in Vietnam down from 540,000 troops to 30,000.
  - b. Candidacy received boost 12 days before election when Kissinger announced "peace is at hand" in Vietnam and an agreement would be reached within days.
    - No agreement occurred and the war lasted almost another year.

#### B. Results

- 1. Landslide victory for Nixon: 520-17; pop. majority of 47.1 million to 29.1 million.
- 2. Republicans suffered losses in both houses of Congress
  - Reduced Nixon's mandate for his policies.

#### IV. Watergate -- biggest presidential scandal in U.S. history (forced Nixon to resign)

##### A. Nixon sought to secretly attack political opponents.

1. Nixon surrounded himself with people who almost always agreed with him, thus protecting himself from criticism and making him more isolated.

a. "H.R." Haldeman, Chief of Staff: Nixon's closest aide.

b. John Erlichman, chief domestic policy advisor

2. 1971, Nixon's men gathered list of 200 individuals and 18 organizations that the administration regarded as enemies.

a. Included Edward Kennedy, McGovern, entire black leadership in the House of Reps, college presidents, actors such as Steve McQueen, Paul Newman, Jane Fonda, and 57 members of the media.

b. Nixon asked FBI to spy on these individuals and try to discredit them.

c. Ordered the IRS to harass them with tax audits.

d. FBI blocked an illegal Nixon plan for secret police operation to combat antiwar movement. Would have included FBI, CIA, NSC, & military intelligence.

-- Nixon feared antiwar movement might undo him like it did Johnson.

##### B. CREEP -- Committee to Re-Elect the President

1. Nixon worried about the outcome of the 1972 elections.

a. Republican party failed to regain control of either House in congressional elections of 1970.

b. Past losses to JFK in 1960 and California Gov. Pat Brown in 1962 haunted Nixon.

c. Nixon's attorney general set up CREEP and began a massive illegal fund-raising campaign.

-- Money was set aside in a special fund to pay for "dirty tricks" operations against Nixon's Democratic opponents.

2. White House "plumbers" instructed to stop anti-Nixon leaks to the press.

a. New York Times published "Pentagon Papers" stating Gulf of Tonkin Resolution had been based on a lie and discredited Johnson's motives for continuing the war.

-- Nixon feared leaks of classified documents damaging to his administration.

b. CREEP's special investigations unit, "the plumbers," targeted Daniel Ellsberg, Defense Dept. analyst who leaked "Pentagon Papers."

-- Broke into office of Ellsberg's psychiatrist but found nothing embarrassing.

3. Watergate Break-In, summer 1972

a. Burglars hired by CREEP caught breaking into Democratic Nat'l Headquarters at the Watergate Hotel in Washington D.C.

b. Nixon and his aids denied any involvement in the break-in and embarked on a massive coverup while the public initially believed them.

##### C. Bob Woodward & Carl Bernstein, young Washington Post journalists, broke the story.

1. Investigations revealed that two of the Watergate burglars and a White House aide involved in the burglary were employees of CREEP.

-- Also discovered other illegal activities conducted by the president's advisors.

2. "Silence money": Nixon secretly authorized payment of more than \$460,000 in CREEP funds to keep the Watergate burglars quiet about White House involvement.

D. 1973, Watergate trial and Senate hearings revealed Nixon and other White House officials had covered up their involvement & pressured defendants "to plead guilty and remain silent."

-- Nixon announced resignations of his three closest aides who were involved in Watergate.

#### E. Watergate Tapes

1. Senate committee and prosecutor Archibald Cox called on Nixon to surrender tapes of conversations that might pertain to the Watergate break-in.

2. Nixon refused and claimed executive privilege and stating release of the tapes would endanger national security.

3. Saturday Night Massacre: Nixon fired two of his men for refusing to fire special prosecutor Archibald Cox before a third Nixon aide finally fired Cox.

-- Public outraged

F. Spiro Agnew resigns (October, 1973) 1. Agnew pleaded no contest to charges of income tax evasion and accepting bribes

while governor of Maryland and resigned the vice presidency.

2. Nixon nominated Gerald R. Ford, the popular conservative House Minority Leader

G. In a non-related matter, Nixon was forced to pay back taxes for tax evasion (\$500,000)

-- Also accused of using public funds for improvements to his private residences in CA & FL

H. Nixon releases edited transcripts of some tapes but most incriminating portions are erased, especially critical 18 minute gap.

1. When Nixon refused to release unedited tapes, special prosecutor took case to Supreme Court.

2. U.S. v. Nixon: Court ruled unanimously that President Nixon had to release the tapes.

#### I. Impeachment proceedings

1. July 30, House committee voted to recommend impeachment of President Nixon on three counts:

a. Obstructing justice by trying to cover up the role of the White House in the Watergate burglary.

b. Violating the rights of U.S. citizens by using the FBI, CIA, and IRS to harass critics.

c. Defying congressional authority by refusing to turn over the tapes.

2. August 5, Nixon handed over the tapes which revealed a White House cover up

-- Impeachment charges seemed certain.

#### J. Nixon resigns as President (August 7, 1974)

1. Following day, Gerald Ford sworn in as president.

2. 25th Amendment (1967) -- made Presidential Succession Act of 1947 an amendment

a. In case of removal of the president from office or death or resignation, the vice president shall become President.

b. Successor to vice-president provided by presidential nomination and confirmation by a majority of both houses.

K. Ford Pardons Nixon in September for any crimes he may have committed while president.

1. Many Americans outraged that Nixon escaped justice.

- a. Questioned if a deal had been made between Nixon and Ford.
- b. In light of Vietnam, Americans grew even more skeptical of their gov't.
- 2. 31 Nixon administration officials were convicted and went to prison for Watergate-related offenses.
- 3. The pardon probably cost Gerald Ford the presidential election of 1976.

#### V. The "Imperial Presidency"

A. World War II on, presidents gradually gained more power that belonged to Congress.

##### 1. FDR

- a. "Court packing" scheme sought to strengthen FDR at expense of Supreme Court.
- b. WWII: FDR made treaties with foreign nations without the advice or consent of the Senate (Destroyer-Bases deal, Atlantic Charter, Yalta Conference, etc.)
- 2. Truman fought war in Korea without formal declaration of war by Congress
- 3. Johnson sent troops into Vietnam without a formal congressional declaration of war

B. Nixon took the trend to the next step.

1. Impounded funds for federal programs he opposed, defying the constitutional mandate that Congress control spending. 2. Ordered U.S. troops to invade Cambodia without seeking congressional approval.

3. Used FBI and IRS against political opponents

4. Watergate scandal: tried to sabotage Democratic Party in 1972

5. By 1970s, some critics called the constitutional presidency "the imperial presidency."

C. Congress takes back power from the presidency in light of Vietnam and Watergate

1. War Powers Act (1973): Required the president to consult with Congress before sending troops into action for 90 days or more.

2. 1974, Congressional Budget and Impoundment Control Act prohibited impounding of federal money by the president. (response to Nixon's impounding of funds)

3. Federal Election Campaign Act of 1972 set limits on campaign contributions (response to CREEP)

4. Privacy Act (Extended the Freedom of Information Act (1966) -- (response to Nixon's abuse of the FBI powers)

a. Allowed citizens to have prompt access to the files that the government may have gathered on them.

b. Required gov't to prove its case for classification when attempting to withhold information on grounds of national security.

5. Ronald Reagan: Iran-Contra Scandal (1987) -- continuation of "imperial presidency"?

a. Diverted money from secret sale of weapons to Iran to Nicaraguan "Contras"

-- Congress had expressly forbidden U.S. money be sent to "Contras"

b. Became biggest scandal of Reagan administration and weakened Reagan's influence.

#### VI. Gerald Ford's Presidency

A. Pardon of Nixon brought immediate controversy in September, 1974

-- Nixon accepted offer yet admitted no wrongdoing; had not yet been charged with a crime.

B. Economy plagued with "stagflation"

1. Ford called for voluntary restraints on inflation and asked citizens to wear WIN (Whip Inflation Now) buttons.

-- Inflation did drop from 12% to 5% in 1976 but drop was temporary.

2. Ford asked for tax cuts to stimulate business and argued against spending for social programs.

-- Vetoes more than 50 bills during his brief presidency.

C. Helsinki Conference (July, 1975) -- 34 countries present

1. One group of agreements officially ended World War II by finally legitimizing the Soviet-dictated boundaries of Poland and other East European countries.

2. In return, Soviets guaranteed more liberal exchanges of people and information between East and West and the protection of certain basic "human rights."

-- Yet, the Soviets reneged on their pledges.

3. U.S. angry that USSR continued to send huge quantities of arms and military technicians to pro-Communist forces around the world.

4. Ford maintained policy of détente but U.S. and USSR relations were deteriorating.

D. South Vietnam (Saigon) fell to North Vietnam in April 1975

1. Ford had failed to get from Congress approval to provide more arms for South Vietnam.

2. To many Americans it appeared U.S. involvement in Vietnam had been tragically in vain.

E. The Mayaguez

1. May 12, 1975, Cambodia, seized by communists 2 weeks earlier, seized the American merchant ship Mayaguez in the Gulf of Siam.

2. After demanding the ship and crew be freed, Ford ordered a Marine assault on Tang Island, where the ship had been taken.

3. Ship and crew of 39 released but 38 Marines were killed.

VII. Election of 1976

A. Nominees

1. Ford narrowly defeated Ronald Reagan for the Republican nomination.

-- Ford plagued by his pardon of Nixon and seeming denial of Soviet domination of Eastern Europe.

2. Democrats nominated Jimmy Carter, former governor of Georgia, and peanut farmer.

a. Ran as an outsider from Washington (like Reagan did in 1980)

-- Emphasized integrity & lack of Washington connections; born-again Baptist; "I'll never lie to you"

b. Carter a conservative Democrat who questioned affirmative government and welcomed increased role of religion in public life.

B. Result

1. Carter d. Ford narrowly 297 to 240; 51% of the popular vote.

a. Swept every state except Virginia.

b. 97% of blacks voted for Carter.

2. Large Democratic majorities in both houses

VIII. Jimmy Carter's presidency: Domestic policy

A. Domestic achievements

1. Amnesty -- Pardoned 10,000 draft evaders during Vietnam era (campaign pledge)

2. Created the Department of Education (and the Department of Energy -- see below)

3. Placed the civil service on a merit basis and reduced Civil Service System



4. Environment: created Superfund

B. Energy

1. 1977, created Dept. of Energy at the cabinet level (in light of recent energy crisis)

2. Proposed raising the tax on gasoline and taxing autos that used fuel inefficiently in order to reduce U.S. dependence on foreign oil.

-- Got only a small portion of this bill through Congress.

3. 2nd fuel shortage in 1979 exacerbated the nation's energy woes.

-- Spurred by the Iranian Revolution and demise of the Shah.

C. Economy (stagflation continued)

1. Convinced Congress to pass an \$18 billion tax cut in 1978.

2. 1978, proposed voluntary wage and price guidelines to combat inflation

a. Somewhat successful but did not apply to oil, housing, and food.

b. By 1980 inflation was 12%

3. Federal Reserve Board tightened money supply in order to reduce inflation but interest rates soared to 20%!.

-- Sales of automobiles and houses suffered which increased unemployment.

4. By 1980, unemployment reached 7.5%

D. Environment

1. Created "superfund" for the cleanup of chemical waste dumps.

2. Established controls over strip mining 3. Protected 100 million acres of Alaskan wilderness from development

4. Three-mile Island nuclear accident occurred in 1979

E. Deregulation

1. Air Transportation Deregulation Act (1978): Ended government regulation of airline fares and routes

2. Action symbolizes Carter as a conservative Democrat. (Perhaps the most conservative since Grover Cleveland)

F. Peacetime Draft Registration: 18 year-olds required to register with the Selective Service System to prepare the nation militarily; no one actually drafted.

IX. Foreign policy under Carter

A. Humanitarian diplomacy -- sought to base foreign policy on human rights but was criticized for inconsistency and lack of attention to American interests.

1. Verbally lashed out at Cuba and Uganda for human rights violations.

2. Cut foreign aid to Uruguay, Argentina, and Ethiopia.

3. Championed black majority in South Africa and denounced Apartheid.

4. Did not punish South Korea or Philippines -- too vital to U.S. security.

-- Some saw this as hypocritical.

5. Humanitarian diplomacy ultimately ineffective.

B. Panama Canal treaty: Provided for transfer of ownership of the Canal to Panama in 1999 and guaranteed its neutrality.

C. Camp David Accords (September 17, 1978) -- perhaps Carter's greatest accomplishment

1. Another conflict imminent between Egypt and Israel.

2. Carter invited President Anwar Sadat of Egypt and Prime Minister Menachem Begin

of Israel to a summit conference at Camp David.

3. After 13 days, Carter persuaded them to sign an accord that seemed to place the two countries on a solid road toward peace.

4. Palestinian Liberation Front (PLO) led by Yasser Arafat would use terrorism to protest the existence of Israel.

5. Sadat eventually assassinated by Muslim extremists.

D. Recognition of China

1. Carter ended official recognition of Taiwan and in 1979 recognized the People's Republic of China.

2. Conservatives called the decision a "sell out"

3. UN had recognized Communist China in 1972 as a member of UN Security Council

E. Cold War politics

1. SALT II

a. SALT I treaty due to expire in late 1977.

-- Carter called for a renewing of the SALT accords and extending them to include real reductions in nuclear armaments.

b. 1979, Carter signed SALT II with the USSR.

c. Not ratified by the Senate in light of Soviet invasion of Afghanistan.

2. Soviet invasion of Afghanistan (end of détente) -- December 1979

a. Carter's proclaimed U.S. would "use any means necessary, including force," to protect the Persian Gulf against Soviet aggression.

b. Stopped shipments of grain and certain advanced technology to the USSR

c. Withdrew from SALT II from the senate d. Boycotted the 1980 summer Olympics held in Moscow.

-- In retaliation, Moscow boycotted 1984 Olympics in Los Angeles.

e. Soviets met stiff resistance in Afghanistan and the war became "Russia's Vietnam"; Soviet forces pulled out a decade later

F. Iran Hostage Crisis: biggest crisis of Carter's presidency and cost him election of 1980.

1. The Iranian Revolution

a. In 1978, a revolution forced the Shah of Iran to flee the country.

b. Ayatollah Ruhollah Khomeini, a religious leader, became Iran's leader.

-- Reversed many of Shah's western reforms and established conservative Islamic social order.

c. Revolutionaries called the U.S. "the Great Satan" for its support of money and arms to the Shah of Iran.

-- CIA had put the Shah in power in 1953 after it overthrew Moussadegh supported the Shah's regime until his ouster.

2. American hostages

a. Carter allowed the Shah to come to the U.S. for medical treatment in Oct. 1979 after Shah was in exile.

b. In response, about 400 Iranians (many of them students) broke into the U.S. embassy in Tehran on November 4, taking the occupants captive.

-- Demanded Shah be returned to Iran for trial and that his wealth

be confiscated and given to Iran.

c. Carter froze Iranian assets in the U.S. and est. a trade embargo against Iran.

d. Iranians eventually freed the black and women hostages but kept 52 others.

e. April 1980, Carter ordered a Marine rescue attempt but it failed after several helicopters broke down and another crashed, killing 8 men.

f. Carter perceived as weak, indecisive, and ineffective and suffered for it in the 1980 elections.

3. Release of the hostages after 444 days.

a. After extensive negotiations with Iran Carter released Iranian assets and the hostages were

freed on January 20, 1980.

b. As a final insult to Carter, hostages were released after Reagan took his inaugural oath so that Carter could not solve the crisis during his presidency.

#### X. Election of 1980

##### A. Nominations

1. Democrats nominated Jimmy Carter after a challenge from Senator Edward Kennedy.

-- Kennedy's Chappaquiddick affair killed his candidacy

2. Republicans nominated Ronald Reagan of California

a. The leading spokesman for American conservatism

b. Became a B-grade movie star in the 1940s and was a New Deal Democrat until he became a spokesman for General Electric in 1954 (during "red scare")

-- President of the Screen Actor's Guild in the 1950s and helped purge Communists from the film industry.

c. California governor from 1966 to 1974

3. John Anderson, an Independent Congressman, ran on a third party ticket.

B. Campaign 1. Reagan called for reductions in government spending and taxes, shift in power from

the federal gov't to the states, and advocated "traditional American values" -- family, religion, hard work, and patriotism.

a. Blasted the Soviets for their aggression and vowed to rebuild the U.S. military.

b. Received vigorous support from the "New Right" incl. evangelical Christian groups like Jerry Falwell's Moral Majority.

i. Denounced abortion, pornography, homosexuality, the ERA, and esp. affirmative action.

ii. Championed prayer in schools and tougher penalties for criminals.

c. Reagan denounced the activist gov't and failed "social engineering" of the "Great Society" in the 1960s.

d. Promised to get the government off people's backs.

2. Carter defended his record, but was uninspiring in style.

a. Inability to control "double digit" inflation especially damaging.

b. Iran crisis also damaging.

c. Charged that Reagan was a war-monger who might push the country into nuclear war.

### C. Results: Reagan d. Carter 489 to 49

1. Reagan got over 51% of vote; Carter 41%; Anderson 7%.
2. Carter first elected president to be unseated by voters since Herbert Hoover.
3. Republicans gained control of the Senate for first time in 25 years.
4. Ushered in the conservative "Reagan Revolution" that would continue into the mid-1990s.

### XI. Reagan and the Cold War

#### A. Reagan's early rhetoric vis-à-vis Soviet Union harsh.

1. U.S. concerned about Soviet invasion of Afghanistan in 1979
2. Sought to deal with Soviets from a position of strength by embarking on a massive new round to the arms race.
  - American's could better bear the burden of the expense while the Soviets couldn't.
3. October 1981, Reagan seemed to endorse the concept that the U.S. might fight the Soviets in a "limited" nuclear war on European soil.

-- Western Europeans horrified

#### B. Strategic Defense Initiative (SDI) -- "Star Wars"

1. March 1983, Reagan announced his intention to pursue a high-technology missile-defense system.
  - a. Plan called for orbiting battle stations in space that could fire laser beams or other forms of concentrated energy to vaporize intercontinental missiles on lift-off.
  - b. Reagan claimed SDI offered a nuclear umbrella over American cities.
  - c. Most scientists viewed SDI as impossible and it became the cause of much ridicule in the scientific community.
2. Diplomatically, Reagan sought to use SDI to scare the Soviets.
3. NUTS vs. MAD
  1. SDI upset four decades of strategic thinking about nuclear weapons.
  2. Nuclear Utilization Theory (NUTs) advocated the winning of a nuclear war.
    - Reagan's staff drew up estimates of so-called reasonable losses in the event of a nuclear war -- some as high as 40%.
3. Hitherto, Mutual Assured Destruction (MAD), had assured a "balance of terror" for 4 decades.
4. Reagan's dramatic increase in defense spending placed enormous pressures on the Soviet economy.
  - a. When Gorbachev came to power in 1985, he would try to reform the Soviet system rather than outcompete the U.S.
  - b. Some historians today credit Reagan's aggressive policies as winning the Cold War and forcing the disintegration of the Soviet Union in 1991.
- C. "Solidarity" movement in Poland (1982) sought reforms but was ultimately stopped by Polish military that was intimidated by Soviets to restore order.
  1. Reagan imposed economic sanctions on Poland and Russia.
  2. U.S. grain sales not cut off since it would hurt U.S. farmers.

#### D. KAL 007, September 1983

1. Soviets blew from the sky a Korean airliner carrying hundreds of civilians including

many Americans.

--Plane had accidentally veered into Soviet airspace.

2. By end of 1983, all arms-control negotiations with Russians were broken off.

3. "Evil Empire" speech -- Reagan called the USSR "the evil empire" and the "focus of evil in the modern world."

-- Justified his military build-up as necessary to thwart aggressive Soviets.

#### E. Middle East foreign policy challenges

##### 1. Lebanon

a. Reagan sent Marines to Lebanon in 1983 as part of an international peacekeeping force after Israeli attacks against Palestinian strongholds in Lebanon caused chaos.

b. October 23, 1983, a suicide bomber crashed his truck into a U.S. Marine barracks killing 241 Marines.

i. Reagan soon pulled remaining American troops while suffering no political damage from the attack.

ii. Opponents called him a "Teflon president" to whom nothing hurtful could stick.

##### 2. Bombing of Libya

a. Reagan ordered the bombing of Libya in 1986 in retaliation for an alleged Libyan-sponsored bombing of a West Berlin discotheque that killed a U.S. serviceman.

b. Col. Mommar Qaddafi had long been a sponsor for terrorism against the West.

##### 3. Iran-Iraq War

-- U.S. backed Iraq and its leader Saddam Hussein as Iran and the U.S. had become bitter enemies since 1979 Iranian Revolution.

#### F. Western Hemisphere foreign policy challenges

##### 1. Nicaragua

a. "Sandanistas" were socialist revolutionaries who made practice condemning capitalism and U.S. policies in Latin America; supported by Cuba.

b. Reagan accused Sandanistas of turning their country into a forward base for Soviet and Cuban military penetration of all of Central America.

c. Reagan sent covert aid including CIA-led mining of harbors to the "contra" rebels ("freedom fighters") opposing the anti-U.S. gov't in Nicaragua.

-- Resulted in the Iran-Contra Scandal

2. El Salvador a. Reagan sent military "advisors" to prop up pro-U.S. (anti-communist) gov't of El Salvador as well as gaining congressional approval for \$5 billion in aid.

b. Public opinion soured after news of gov't "death squads" eliminating hundreds, perhaps thousands of opposition.

##### 3. Grenada

a. In 1983, Reagan sends 6,000 troops to tiny Grenada in the Caribbean where a military coup had killed the prime minister and brought a Marxist regime to power.

b. U.S. forces successfully overran the island

#### XII. The End of the Cold War

##### A. Mikhail Gorbachev

1. 1985, Gorbachev became a reform-minded leader of the Soviet Union.

-- Allowed for free-speech, capitalist economic reforms, and some democracy.

## 2. Gorbachev courts the West

-- Stated Soviets would cease deployment of intermediate-range nuclear forces (INF) targeted on Western Europe if the U.S. agreed to their elimination.

### 3. INF Treaty signed in Washington, D.C. in December 1987 (after 2 years of negotiations)

- a. All intermediate-range nuclear missiles from Europe banned.
- b. Significant break through in the Cold War.
- c. Reagan & Gorbachev: "Nuclear war cannot be won and must never be fought"

## B. "Iron Curtain" fell in 1989

1. Costs of maintaining satellite countries, both politically and economically, were too much of a burden for the Soviets to handle.

-- Gorbachev's political reforms opened the floodgates for the democratization of Eastern Europe and the decline of Soviet influence.

### 2. Solidarity prevails in Poland in August 1989

-- Wave of freedom spread through eastern Europe.

### 3. Hungary in October

### 4. Berlin Wall torn down in November; Germany reunited in October 1990

### 5. Bulgaria in November

### 6. Czechoslovakia ("the velvet revolution") in December

### 7. Romania in December (most violent of the 1989 European revolutions)

## C. Reduction of nuclear weapons

1. President George Bush & Gorbachev agree to dramatic cutbacks in ICBMs in 1990s.

### 2. START -- strategic arms reduction treaty.

a. Would cut 10% of U.S. nuclear weapons and 25% of Soviet nukes and limit ICBM warheads to 1,100 each.

b. Later treaty called for 50% reductions within a few years.

3. American analysts began discussing possible "peace dividend" which could be used for social programs, rebuilding infrastructure, and reduction of national debt.

## D. Fall of the Soviet Union (December 25, 1991) resulted in end of Cold War

## III. Reagan's domestic policy -- 1st term

### A. Assassination attempt in March 1981 nearly killed Reagan

-- White House Press Sec. James Brady shot in the head and debilitated for years after.

### B. Reaganomics -- Supply-side economics

1. Reagan cut taxes on the "trickle down" idea that if the people had more money, they would invest rather than spend the excess on consumer goods.

a. Results would be greater production, more jobs, and greater prosperity

b. Gov't revenues would increase despite lower taxes.

### 2. Economic Recovery Tax Act, 1981

-- Congress granted Reagan a 25% cut, spread over three years.

3. Reagan enacted large budget cuts in domestic programs inc. education, food stamps, public housing, and National Endowments for the Arts and Humanities.

-- Reagan said he would maintain a "safety net" for the "truly needy" focusing on those unable to work because of disability or need for child care.

4. Defense budget increased by \$12 billion.

5. Result: huge budget deficits that resulted in rise in national debt from \$1 trillion in 1980 to \$3 trillion in 1988

a. Taxes had to be implemented in 1984 in order to make up for budget deficit.

b. In mid-1980s, U.S. became a debtor nation for 1st time since WWI.

#### C. Recession

1. By Dec. 1982, economy in recession due to Federal Reserve's "tight money" policy.

a. 10% unemployment.

b. Deficit of \$59 billion in 1980 reached \$159 billion by 1983.

2. Yet, inflation fell from 12% in 1979 to 4% in 1984.

-- Helped by lower demand for goods and oversupply of oil.

3. Federal Reserve Board began to lower interest rates which together with lower inflation and more spendable income due to lower taxes, resulted in an increase in business.

-- Unemployment fell to less than 8%.

#### D. Deregulation (begun under Carter)

1. Reagan and Congress deregulated AT&T, airline, and trucking industries.

-- Consolidation resulted with many smaller companies going under.

#### 2. S & L bailout

a. In 1982, many savings and loan institutions were threatened with insolvency.

b. Reagan pushed for deregulation of the savings and loan industries paved the way for banks to make riskier loans and for shady administrators to bilk millions.

i. Third World countries unable to repay risky loans.

ii. Wave of mergers, acquisitions, and leveraged buyouts (LBOs) left companies saddled with heavy debt.

-- Bankruptcy became a convenient way to escape debt and became a hefty tax write-off.

c. Starting in 1989, the gov't was forced to bail out over \$500 million worth of bank failures; the taxpayers covered the bill.

#### E. Air Traffic Controllers strike

1. August 1981, federally employed air traffic controllers entered an illegal strike.

2. Reagan fired 11,400 of them after they refused to follow his order to return to work.

-- Began training replacements and used military controllers during the interim.

3. Air traffic controllers' union destroyed

#### F. Women and minorities

1. Reagan appointed Sandra Day O'Connor as the first female associate justice to the Supreme Court in U.S. history. 2. Yet, Reagan gave fewer appointments to women and minorities than the Carter administration.

3. Reagan opposed "equal pay for equal work" and renewal of the Voting Rights Act of 1965.

#### G. Election of 1984

1. Democrats nominated Walter Mondale, former v.p. under Carter and former senator

a. Geraldine Ferraro nominated as first female v.p. nominee in U.S. history.

b. Mondale criticized Reagan for his budget deficits, high unemployment and interest rates,  
and reduction of spending on social services.

2. Ronald Reagan and George Bush renominated by the Republican party.

3. Reagan d. Mondale 525 to 13 and gained 60% of popular vote.

a. Democratic coalition from the days of FDR consisting of industrial workers, farmers, and the poor broken apart.

-- Only blacks remained as a Democratic voting block.

#### IV. Reagan's Domestic Policy -- 2nd Term

##### A. Tax Reform Act of 1986

1. Lowered tax rates, changing the highest rate on personal income from 50% to 28% and corporate taxes from 46% to 34%.

2. Removed many tax shelters and tax credits.

##### B. Immigration Reform and Control Act of 1986

1. Attempted to deal with problem of illegal immigration

a. Escalated penalties on employers hiring undocumented workers

b. Increased resources of Immigration and Naturalization Service (INS) to enforce the law.

2. Offered resident alien status to any individual who proved they had been living in the U.S. continually since 1982.

3. Result: Reduced flow of immigration until global recession of early 1990s.

##### C. Iran-Contra Scandal (see "Imperial Presidency" above)

##### D. Mergers

a. Encouraging by deregulation under Carter and Reagan as well as emerging int'l economy, and fueled by funds released by new tax breaks, mergers became a widespread phenomenon in the 1980.

b. Multinational corporations began to dominate the international economy.

##### E. Black Monday, October 19, 1987

a. Stock prices had soared in the early 80s due in part to Reagan's easing of controls on the stock market, brokerage houses, banks, and savings and loan institutions.

b. October 19, 1987, Dow Jones stock market average dropped over 500 points.

c. Fearing recession, Congress reduced 1988 taxes by \$30 billion.

d. By the mid-1990s, stock market indexes doubled in light of a more stable economy.

##### F. Challenger explosion, February 1986 killed 7 astronauts (including 1st teacher in space)

-- Damaged NASA's credibility and reinforced doubts about the complex technology required for the SDI program.

##### G. Supreme Court -- Culture War?

a. Reagan sought to demolish two liberal cultural strongholds: affirmative action and abortion. b. Effectively ended affirmative action in gov't

c. Overturned desegregation laws

d. Ended voting districts based on race (North Carolina gerrymandering case)

##### H. Reagan's economic legacy

a. Tax cuts and increased military spending created lost revenue of \$200 billion per year.



- b. National debt tripled from about 1 billion in 1980 to about 3 billion in 1988.
- c. Deficits did not begin to diminish until Clinton's presidency in mid-1990s
- d. Debt serendipitous for conservatives
- Reduced growth of gov't and led to cuts in social spending since less money available for gov't to spend.

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