

## Chapter 39: The Resurgence of Conservatism (1980-1992)

### Synopsis

- In the 1970s the average age for Americans was becoming older than it was in the 1960s (which caused more conservatism)
- There was the rise of the conservative “New Right” movement that went against 1960s liberalism in “cultural issues like abortion, pornography, homosexuality, feminism, and affirmative action”
  - They strengthened the more traditional political objectives (anti-government) of the conservatives, which strengthened the Republican party

### The Election of Ronald Reagan, 1980

- Ronald Reagan was a popular Republican leader following many of the conservative values of the decade
  - He was heavily influenced by pre-1960s (pre-Rights Revolution, more conservative) values and therefore supported the New Right
  - He was opposed to big government
    - He “condemned federal intervention in local affairs, favoritism for minorities, and the elitism of arrogant bureaucrats”
  - He was likeable (he had “good looks and away with words” and was an actor)
    - He was the president of the Film Actors Guild and helped purge the guild of communists (in the age of McCarthyism suspicion)
  - He was the governor of CA before his presidency
- The Democrats were weakened by the time of the election of 1980
  - Democrat President Jimmy Carter was becoming more unpopular, especially because he couldn’t stop inflation
  - There was discontent within the Democratic Party (dissenters in the “ABC” (Anybody but Carter”) group and suspicions with other Democratic candidate Edward Kennedy)
- Ronald Reagan won the presidential election of 1980 489 to 49 electoral votes
  - The Republicans also won the Senate for the first time in 26 years
- President Carter ended his presidency with multiple humanitarian acts
  - He called for the end of the arms race and the promotion of human and environmental rights, and he won the Nobel Peace Prize as a result

### The Reagan Revolution

- The American hostages held in Iran were released on Reagan’s inauguration day, which improved the American’s optimism further
- Reagan’s main goal was to improve the government’s economic program
  - He aimed for “smaller government, less bureaucracy, and freer markets”
  - He shared common economic interests with Great Britain’s Prime Minister Margaret Thatcher

- Thatcher tried to weaken labor unions and governmental involvement in business like Reagan
  - Part of their joint goal towards less market involvement was a statement against communism, in which they believed that “shrinking government meant keeping their nations safer from communism”
  - This common goal improved the relationships between the US and Britain
- Reagan’s anti-government-involvement policy was supported by many Americans
  - In the 1960s and 1970s, government spending had greatly increased
  - Government spending had greatly shifted from an emphasis on defense to an emphasis on entitlement programs, and people thought they paid too much to help other people’s benefits
    - This led to the tax revolt proposed by Proposition 13 (1978) in California, in which the Californians cut government taxing and spending on welfare programs
  - This common sentiment allowed him to propose a new bill to cut \$35 billion in government spending
  - He collaborated mostly with the Republican Senate to achieve his goals, and with boll weevils (“mostly southern conservative Democrats”) in the Democratic House of Representatives

### The Battle of the Budget

- Reagan was very successful with passing his budget proposals in Congress, and also successful with bills to cut taxes
- Reagan’s main economic philosophy was supply-side economics, which states that “a combination of budgetary discipline and tax reduction would stimulate new investment, invigorate productivity, foster dramatic economic growth, and eventually even *boost* rather than deplete tax revenues, thus reducing the federal deficit”
  - This is the opposite philosophy of Keynesian economics (which guided American economics in the decades before Reagan), which involves additional federal spending to stimulate the economy
  - It seemed not to work at first, causing a recession in 1983 (with unemployment, bankrupt businesses, a non-competitive car industry, etc.) but caused an economic recovery in 1982
    - However, the new economy of 1982 was based on a large economic gap, with the rich benefitting from this policy (fewer taxes) and the poor getting poorer (less welfare aid)
- Some people argued that supply-side economics was not the cause of the 1982 economic upturn, but rather a federal financial stimulus in the defense industry
  - \$2 trillion in federal financing was spent on the military
  - This actually caused massive deficit spending of \$100 billion, increasing by \$200 billion a year
    - It seems to go against supply-side economics and support the idea of Keynesian economics

- The US became the largest borrowers of money in the world beginning in the 1980s

*American and National Identity:* The “Reagan Revolution” of 1980 was a highly popular conservative movement. The national identity was decidedly aimed towards more traditionalist values and smaller-government economics, both acting as a backlash against the highly liberal Leftism of the 1960s and 1970s, but also against communism elsewhere in the world. The rise of the “New Right” movement especially exemplified Reagan’s presidency and the national sentiment at the time, beginning with Nixon’s presidency and the idea of a conservative “silent majority,” going against radical movements towards equal rights for women, homosexuals, and people of other races, as well as huge government spending on welfare. Likewise, Reagan held a hostile, militaristic stance against the USSR, increasing the military budget. This shaped the complex views of the Republican party: very conservative in terms of social issues and believing in smaller government involvement, but also in large military spending. This economic combination of supply-side taxation in civilian and business matters and trillion-dollar military spending characterized Reagan’s presidency and the Republican party to this day.

#### Reagan Renews the Cold War

- Reagan was very convinced that the Soviets were essentially evil when he entered the presidency
- Reagan believed that negotiations with the Soviets should be held “from a position of overwhelming strength” (i.e., only with the U.S. in control)
  - He believed that a massive new arms race would end up with America winning and the Soviets bowing down to the U.S. once their economic system collapsed from the stress of the arms race
- Reagan created the Strategic Defense Initiative (SDI) to try to initiate the arms race with the Soviets
  - It involved high-tech anti missile systems involving space stations that would not only defend the U.S. but threaten the Soviets
  - It was considered by many scientists to be bogus, but it was more politically-geared than scientifically plausible
- US-USSR relations worsened in the early 1980s
  - Poland became communist in 1981 by the hand of a large labor union
    - The U.S. imposed economic sanctions on Poland and the USSR as a result
  - Some of the old Russian leaders died, making negotiations more complicated
  - The Soviets shot down a Korean passenger plane with Americans onboard
  - Arms-control negotiations with the USSR ended by 1983

#### Troubles Abroad

- Israel was becoming imperialistic, creating settlements in their occupied territories
  - Israel also invaded Palestine and Lebanon, throwing Lebanon into anarchy
    - The U.S. sent some troops into Lebanon but they returned once the situation there became too dangerous to American troops
    - The Middle East violence surprisingly did not hurt Reagan’s popularity
- Anti-U.S. trouble worsened in Latin America

- In Nicaragua, a group called the Sandinistas led a coup that replaced the dictatorship with an anti-American revolutionary government
- The Sandinistas helped a communist-backed revolutionary group in El Salvador
  - The U.S. discovered this and sent help to the rebel group the Contras against the anti-American coup
- The U.S. invaded the island of Grenada with a huge military force to take the revolutionary communist leaders out of power

*America in the World:* The large military spending and interventionist foreign-policy of Reagan didn't work out too well for him. He essentially believed that the Soviets were evil and could not be confronted unless the U.S. had the upper hand, and he greatly increased the U.S. military as a result, which certainly was not a reconciliatory gesture towards the Soviets. Rather, arms-control negotiations with the Soviets withered by 1983 and Poland became communist. In Latin America, the Sandinista revolutionary group in Nicaragua and El Salvador fought for communistic, anti-American governments, which endangered democracy even in the Americas, far away from the source of communism in the USSR. And the U.S. only seems to be the aggressor in situations such as in Lebanon, Nicaragua, El Salvador, and Grenada, in which the anti-American governments all fought against American reinforcements. The failure of the use of force in all of these examples illustrated the need for more diplomatic ways to resolve world conflicts, as was illustrated later in Reagan's presidency with the summit meetings with Gorbachev.

#### Round Two for Reagan

- Reagan was enormously popular during his first term and won re-election in 1984 525 to 13 electoral votes against Democrat Walter Mondale, vice president of Jimmy Carter
- Reagan's second term was focused on foreign policy rather than economics
- The new Soviet leader Mikhail Gorbachev sought to pursue two Western-friendly policies:
  - Glasnost ("openness"), which gave people "free speech and a measure of political liberty"
  - Perestroika ("restructuring"), which gave some capitalistic practices to the Soviet economy
  - These policies necessitated a redirection of Soviet funding from defense to civilian purposes and improved relations with the West (which supported and practiced these policies)
- Improvements in relationships between the US and USSR happened over the course of four summit meetings
  - The Immediate-Range Nuclear Forces (INF) treaty was signed at the third summit meeting, banning INFs from Europe
  - Reagan praised Gorbachev for his friendly and progressive intentions here
- Reagan helped a coup against the dictator in the Philippines
- Reagan supported an air raid on Libya in retaliation for terrorist attacks

#### The Iran-Contra Imbrolio

- Reagan had two major foreign-affairs problems
  - One was the holding of American hostages by Lebanese extremists

- In Nicaragua, Congress blocked bills that financially aided the Contras
- To try to improve both of these situations, Reagan secretly initiated an arms sale in exchange for the return of the hostages, and the money from the sale went towards supporting the Congress in the Iran-Contra Affair
  - This went against the American ideal of never negotiating with terrorists
  - The discovery of this plan in 1986 broke out in controversy and increased mistrust in the government
  - This was perhaps the most damaging policy to Reagan's reputation, but he remained very popular nonetheless

*Politics and Power:* The Iran-Contra Affair was a prime example of the use of presidential power and secrecy to achieve something that would increase the president's popularity, even if he undercut his own honesty. Like Nixon's Watergate Scandal, Reagan lied to the public by hiding the fact that the hostages in Iran were released because the U.S. had initiated trade (a civilized, normal exchange) with "terrorists" — something the Reagan administration had pledged not to do. However, with two major foreign policy issues frustrating Reagan in Nicaragua and Iran, this double-edged sword seemed to be the best option. However, Reagan had better luck negotiating diplomatically with the USSR in four summit meetings with the new Soviet leader, Gorbachev. Here he used his power responsibly by working out deals with another foreign power without rash use of force, creating nuclear treaties such as the INF treaty and other peacekeeping decisions. This shows the conservative, militant side of Reagan, as well as his more liberal, diplomatic side that evolved with his presidency and led to relaxed foreign relations.

#### Reagan's Economic Legacy

- While Reagan achieved his goals of reducing government spending and taxation, supply-side economics did not help the economy
  - The combination of lower taxation (less federal income) and high military spending (more federal spending) caused a "revenue gap" for the government, raising the national debt to over \$2 trillion
    - This was a higher amount of debt than all of the other presidents had accumulated together — a great economic failure
  - Heavy federal deficits resulting from this revenue gap actually helped Reagan's economic theory of less government involvement in the economy by preventing the formation of new welfare programs for another decade due to the large deficit
  - Reagan's economic policies increased the socioeconomic gap between rich and poor, and lowered the median family's income (more wealth unevenly concentrated in the rich)

*Work, Exchange and Technology:* Reagan's economic policy ("Reaganomics") was essentially a failure. The attempt at "supply-side economics" did not work because it is based on the idea that the rich will stimulate the economy by spending much of their wealth; however, lower taxes simply made the rich richer and they continued to save their wealth for themselves, while the poor became poorer out of lack of financial stimulation. In contrast, Keynesian economics (which had governed American economics for much of the 20th century up until Nixon) or higher taxation would force a stimulation of the economy by redistributing some of the wealthy people's money (collected through taxes) to the poor and by creating jobs, creating an active and healthy economy — this stimulated Work and Exchange, while

Reaganomics creates a stagnant economy based on the rich few. Reagan's economic policy of lower taxation and high military spending created a "revenue gap" that increased the U.S.'s deficit to over \$2 trillion, a massive amount compared to other presidents. His economic policy also caused the recession in the later 1980s, the largest economic recession since the Great Depression, which involved many banks going bankrupt on bad loans and investors losing money from a drop in the stock market. Although this policy was very popular among the rich, who benefitted from it, it hurt the economy and the poorer masses and Keynesian economics again became the predominant economic policy by the 21st century, governing much of the economic policy today.

### The Religious Right

- A group of conservative, evangelical Christians known as the "Religious Right" rose to prominence in the 1980s
  - They formed a strong opposition to many of the liberal reforms of the 1960s, such as "sexual permissiveness, abortion, feminism, and the spread of gay rights"
  - A major religious right group was the Moral Majority, which gained over 2 million members its first year
    - They were especially persuasive by losing television (creating the role of the "televangelist") to reach large audiences
  - The Religious Right mimicked radical Leftist protests from the 1960s
    - For example, they had "sit-ins" at abortion clinics, practiced the "identity politics" of fighting for their Christian purity, and talked about freedoms (right to life (pro-life) stance)
  - Some of its leaders were disgraced by scandals in the later 1980s

### Conservatism in the Courts

- The leader of social conservatism were the courts
  - Reagan appointed almost half of the federal judges during his presidency
  - Reagan appointed 3 of the Supreme Court Justices (including Sandra O'Connor, the first woman Supreme Court Justice)
  - The Supreme Court made many conservative rulings reversing decisions from the 1960s, such as laws making it harder to change employers of racial discrimination, a decision to allow the prohibition of abortion in most cases, etc.

*Culture and Society:* Similar to the Rights Revolution of the 1960s and 1970s, the courts were a major proponent of social issues. In the Leftism of the previous two decades, the courts passed many liberal decisions, such as *Roe v. Wade* and *Brown v. Topeka Board of Education* that corresponded with the liberal sentiment of Americans. However, the social conservatism with the "Religious Right" and the "Moral Majority," what with their massive popularity gained by "televangelists," led to a reversal of the courts' views. With many new conservative judges appointed by Reagan, including three Supreme Court Justices, the courts ruled largely in favor of new, anti-Rights Revolution policies, such as ones that made it more difficult for employers to be accused of racial discrimination in employment (weakening the Civil Rights Act of 1964) and allowed stricter restrictions on abortions (weakening *Roe v. Wade*). These court rulings highlighted how dramatic a reversal of cultural sentiment can be (in less than a decade)

from being very liberal to very conservative; hence, cultural alignment on the political spectrum can be considered very volatile.

#### Referendum on Reaganism in 1988

- The Democrats regained a majority in the Senate in 1986
- There was a huge economic decline at the end of Reagan's presidency, the largest recession since the Great Depression
  - There was the growing federal budget and international trade deficits
  - Falling oil prices hurt the Southwest economy
  - Many American banks with foreign investments in Third-World Latin American countries collapsed due to bad loans
  - Black Monday (October 19, 1987) was the largest single-day decline of the stock market value up to then, a result of many broke investors
- The Democrats hoped to use these economics woes against the Republican Party
- Despite their economic downfalls, Republican nominee George H. W. Bush won the presidency 426 to 111 electoral votes against Democrat Michael Dukakis

*Work, Exchange, and Technology*: [see section under "Reagan's Economic Legacy"]

#### George H. W. Bush and the End of the Cold War

- President Bush had a long political career before the presidency
  - He had served as a Congressman, emissary to China, director of the CIA, and vice president to Reagan
- At the beginning of Bush's presidency, many Democratic uprisings had sprung up in Communist nations
  - In China hundreds of thousands of pro-democracy protesters advocated for democracy but were harshly crushed by the Chinese military
    - The U.S. decided to resume regular relations with China rather than to intervene by helping the protesters achieve a Democratic government
  - In Eastern Europe, Poland, Hungary, Czechoslovakia, East Germany, and Romania became democratic in 1989
    - The tearing down of the Berlin Wall (1989) was very symbolic of the reunification of the Eastern and Western Europe and essentially **marked the end of the Cold War**
  - The USSR itself fell apart in 1990
    - Mikhail Gorbachev's capitalist policies caused a democratic swell
    - When Gorbachev resigned in 1990, the USSR fell apart into its component unions, with Boris Yeltsin, president of the Russian Republic, emerging as the most prominent leader
    - The end of the USSR marked the beginning of a new world order, one not governed by ideological battles of communism and capitalism
    - Yeltsin and Bush initiated some agreements, such as the START II accord that created further peace in the relationship

- The end of the communist regimes caused waves of ethnic warfare in the USSR and some other communist nations such as Yugoslavia
- The end of the Cold War left the U.S. unpurposeful
  - Now that the U.S. had no reason to actively pursue an interventionist foreign policy of anticommunism, what was it to do?
  - The loss of the defense industry cut many jobs, especially in California where many plants were located
- Democracy also overturned the communism in South Africa and Nicaragua
  - After the overthrow of the Sandinistas in Nicaragua, El Salvador regained peace two years later

*America in the World:* The Cold War was finally ending, with democracy emerging in many communist countries around the globe. Many Eastern European nations, South Africa, Nicaragua, El Salvador, and the USSR itself became more democratic in political uprisings of the late 1980s. Thus, a new world order was created: one in which the world was more generally on the same side, more together with democracy and capitalism and working towards better relations with themselves in an era of globalization. This is in contrast to the previous world order of the Cold War, in which foreign policy was mostly dictated by alignment with the democratic U.S. or the communist USSR. With the tearing down of the Berlin Wall and the creation of successful peace negotiations (e.g., the START II accords) with the USSR, the two sides of this old order demonstrated that they were more ready to work with each other. Now the U.S. was less of an international police and aggressor than it was an older sibling.

#### The Persian Gulf Crisis

- Bush sent troops to capture drug lord Manuel Noriega in Panama
- Iraq's leader Saddam Hussein took over oil-rich Kuwait
  - He sought to control all of the oil in the Middle East, and from then control the industrialized nations by controlling this vital resource
  - Ironically, the U.S. had helped Saddam Hussein grow to his level of military power because he was fighting U.S. enemy Iran
- After the quick invasion of Kuwait by Hussein, the UN condemned the invasion and authorized the use of force
  - 539,000 volunteer American troops and 250,000 other troops entered Iraq and Kuwait
  - A 37-day air attack began the war
  - The land attack, named Operation Desert Storm, won the war in four days when Hussein accepted a ceasefire
- While it was a military victory, Hussein was still alive and anti-American sentiments in the Middle East worsened

#### Bush on the Home Front

- Bush approved the Americans with Disabilities Act (ADA) (1990), prohibiting discrimination against disabled Americans
- Bush signed a bill in 1992 to improve irrigation in the West
- Bush continued the very conservative stance of the New Righters



- He was opposed to Civil Rights legislation that strengthened affirmative action
- He appointed Clarence Thomas, a conservative African American, to the Supreme Court, despite allegations of sexual assault
- His conservative views caused pro-choice women to become Democrats
- The economy worsened under Bush's presidency
  - Unemployment rose to over 7% in 1992
  - The deficit rose by over \$250 billion every year of Bush's presidency
    - This caused him to increase the federal budget and increase taxation
      - The increase of taxes broke his campaign promise of "no new taxes," angering many Americans

*American and National Identity:* The new America under President H. W. Bush leaned right in the social and foreign policy, and began to move left in terms of economic policy. The U.S. maintained an interventionist policy (a conservative stance) in Kuwait when Saddam Hussein attacked, serving like an international policeman. In terms of social issues, Bush was anti-Civil Rights legislation and he appointed a conservative justice to the Supreme Court. In terms of economic policy, although Bush had promised "no new taxes" during his election campaign, he had to increase the taxes to help increase the federal income (a liberal policy) during the time of the great revenue gap that had begun under President Reagan and had caused a federal deficit that was increasing by \$250 billion every year under Bush. This very conservative presidency continued the popular trend of conservatism under presidents Nixon, Reagan, and H. W. Bush in the latter part of the 20th century, and these policies (many of which were similar to Reagan's) imprinted itself on the conservative part of American Identity.