

America: From Reagan to Clinton

The 1970s brought much frustration to Americans as they experienced one traumatic event after another, including an oil-driven energy crisis, the Watergate scandal, runaway inflation, the collapse of the South Vietnamese government, and the Iranian hostage crisis. That capture of American embassy personnel in Tehran by Iranian extremists for more than a year tolled the death knell for the Carter administration which helped usher in the era of Ronald Reagan.

The 1980 election, which pitted Reagan against President Carter, brought the Republican challenger a sweeping victory of 43 states representing 51 percent of the vote (to Carter's 41 percent). By Inauguration Day, the Iranian government negotiated the release of the American hostages, bringing an end to the dismal chapter of American history just as Reagan took the reins of the presidency.

A former radio announcer and Hollywood actor, Reagan brought a new conservatism to American politics. Immediately, he set himself and the Congress to the task of getting a handle on America's overriding problems. Without delay, he announced his intention to rebuild the country's military programs, restore economic vitality, and reduce the size of the federal government.

Just as Prime Minister Margaret Thatcher had already begun in Great Britain, Reagan pursued a policy of supply-side economics to cure America's stagnant economy. Throughout the first three years of his presidency, he pushed bills through Congress which dramatically cut tax rates. To pay for his tax cuts, Reagan promised to trim the size of government. Yet his cuts and his increased spending on the military (the defense budget was \$330 billion by 1987) brought about tremendous federal budget deficits. Just during the Reagan years, the deficit increased by \$1.5 trillion.

Yet his measures did improve the economy dramatically. The economy grew at a faster rate than it had in a generation—inflation was reduced from 13 percent to 4 percent in 1981 alone, and personal disposal income rose by 20 percent after 1980.

In addition, Reagan's foreign policy increased old Cold War tensions between the Soviet Union and the U.S. His SDI or "Star Wars" initiative pushed the Soviets into an arms race which they could not afford. Reagan pursued anti-Communist supporters around

the world, especially in Third World countries—traditional targets for Marxist expansion.

Following his landslide reelection in 1984 against Carter's former vice president Walter Mondale, Reagan came under fire regarding his authorizing the illegal sale of arms to Iran, then using the profits to supply anti-Communist rebels in Central America.

Overall, however, the Reagan years restored America's confidence in itself and produced a strong economy.

Reagan's vice president, George Bush, was himself elected to the White House in 1988. During his single term as president, he witnessed the tearing down of the Berlin Wall, the reunification of Germany, and the collapse of the Soviet Union. In 1990–1991, he led a coalition of nations to war against Iraq, which had invaded its Arab neighbor Kuwait. That war, fought to liberate Kuwait and to protect the West's oil interests, was fought successfully, bringing about the utter defeat of Saddam Hussein's poorly trained Iraqi troops.

In 1992, facing a sluggish economy, Bush failed to be reelected as Americans elected a Democrat from Arkansas—Bill Clinton. Clinton took the federal deficit to task, pushing for higher taxes on the wealthy and for cuts in federal spending. With the help of his wife, First Lady Hillary Rodham Clinton, the Clinton administration fought hard for universal health care coverage, yet ultimately lost that campaign due to a lack of Congressional support.

Reelected in 1996, Clinton's second term was rocked by scandal involving a sexual relationship he shared with a young White House intern, Monica Lewinsky. Despite this embarrassing affair, Clinton enjoyed presiding over one of the strongest economies in American history. He also helped facilitate an end to the persecution of ethnic Albanians in Kosovo through NATO air strikes and troop deployment.



Ronald Reagan