INTRODUCTION

- 1980, RONALD REAGAN ELECTED PRESIDENT AND USHERS IN A PERIOD OF CONSERVATISM AND RELATIVE CALM
- PERSONAL COMPUTER ON THE MARKET AND VOICES OF DEMOCRACY IN SOUTH AMERICA
THE DOMESTIC POLICIES OF REAGAN, BUSH AND CLINTON

- Reagan becomes the embodiment of smaller government
  - Reduce taxes and size of government to stimulate the economy
  - Expand the military and promote anti-communist agenda
  - Known as the “Reagan Revolution”
Bush ran as a “kinder gentler” president who would continue the policies of Reagan
- Successes were Clean Air Act and civil rights legislation

Clinton- baby boomer president
- Won portraying Bush as out of touch
- Progressive ideas- healthcare, gays in the military, domestic initiatives
- Ended with middle ground policies- “triangulation”
The Reagan Years, 1981-1989
- Domestic policies- actions and results
  - Goals- revitalize stagnant economy, lower taxes, balance the budget, reduce the size and scope of federal government
  - Believer in Supply-Side Economics
    - Tax the wealthy less- trickle down theory
    - Based on the Laffer Curve
    - Lowering tax rates would increase tax revenues
    - Based on GDP, successful and popular with public
Reagan (cont)

- Long period of higher than normal unemployment
- Volcker constricted money supply, making borrowing more expensive
- Views on whether Reaganomics stimulated growth are mixed
  - Some argue part of business cycle
  - Some argue he actually used Keynesian
    - Expanded government spending
  - Some argue income disparity
REAGAN BUSH CLINTON pt. 5

- Reagan (cont)
  - Approached Social Security Issues
  - Non-economic issues
    - Labor Relations
      - PATCO action- less friendly to labor and emboldened corporations
    - Regulations
      - Reduce regulations
      - Deregulated rules regarding corporate mergers
      - Reduction in EPA enforcement
      - Expanded wilderness by 10MM acres
      - Led campaign for eliminating ozone damaged
        - Montreal Protocol 1987
Reagan (cont)

- Many civil rights leaders claimed he was hostile to minority groups- not a focus
- Foreign Policies
  - Prior to office, loss of prestige internationally
    - Vietnam, Afghanistan, Iran, OPEC cartel
  - Believed in American Exceptionalism
  - Rid “The Evil Empire”
  - Fierce anti-communist
Reagan (cont)

USSR and SDI

- Disillusioned with détente
- Policy of massive arms build up and Naval expansion
  - Goal was to force USSR into economic collapse
- SDI or Star Wars- important negotiating tool
Reagan (cont)

- Confrontation, engagement, and arms talks
  - PYSOP- psychological warfare
  - SDI threatened MAD
  - Deployed more nuclear weapons in Europe
  - Gorbachev negotiated to reduce tensions due to Soviet economy; glasnost and perestroika
    - Sticking point was SDI; walked away in Reykjavik
  - Viewed the threat of communism as among most serious to U.S. security
Reagan (cont)

- Nicaragua
  - Ortega and the Sandinistas overthrew regime
  - Reagan wanted to overthrow Sandanistas
  - Directed CIA to train the Contras
  - Iran-Contra scandal tarnished presidency

- El Salvador
  - Tried to keep anti-communist government in power while significantly altering repressive behavior
Reagan (cont)
- Train the El Salvadorian armed forces, and increase material aid
- Tried to keep left-wing guerillas at bay and build legitimate government structure
- Overthrew communist regime in Grenada under excuse of protecting medical students
- Middle East
  - Issues- civil war in Lebanon, hostile government in Iran, Iran-Iraq war
Reagan (cont)

- June 1982, Israel attacked Lebanon to stop the shelling of Israel and destroy PLO
  - Reagan called on PM Begin to stop
  - Multinational peace force maintained stability
- Favorable policy towards Israel blunted Soviet expansion in Middle East
- August 25, 1982 Reagan orders 800 marines to Beirut as a part of the multinational peacekeeping force (MNF)
Reagan (cont)
- October 23, 241 marines killed in suicide bombing of barracks
- U.S. troops would never be deployed again in Reagan years
- Iran-Contra Affair
  - Confluence of Latin American and Middle Eastern policies
  - Boland Amendment passed House 411-0; illegal for CIA and Defense Dept. to support the Contras
REAGAN BUSH CLINTON pt. 13

- Reagan (cont)
  - Iran-Contra Affair (cont)
    - 1985 Reagan approved secret plan sell arms to Iran through Israel and obtain release of hostages
      - 1500 anti-tank weapons to Iran
      - $12MM to Contras
    - Reagan never admitted to knowing about funding Contras
    - Tarnished Reagan presidency
The Bush Era 1989-1993
- Defeated Michael Dukakis
- By 1993, Berlin Wall had fallen, Soviet Union no longer existed, Tiananmen Square Massacre, U.S. invaded Panama and Gulf War I
- Idea of continuing Reagan policies
- Promoted volunteerism, instituted policies to assist the disabled, more compassionate nation
Bush (cont)

- Domestic Policies
  - Major accomplishment- Americans With Disabilities Act (ADA) 1990
  - Many believed a betrayal of Reagan Revolution
  - Environmental Regulation
    - More comfortable with regulation of pollution than Reagan
    - Amendment to Clean Air Act 1963; reduce pollution in acid rain, urban air and toxic emissions
    - Dealt with Exxon Valdez incident on Alaskan coast
Bush (cont)

- Education - improved results based on specific academic outcomes
  - Higher academic standards
  - Federal demonstration grants for education vouchers
  - No immediate federal action

The Economy

- Backtracked in 1990 on the “no new taxes” pledge - Omnibus Budget Act of 1990
Bush (cont)

The Economy (cont)

- Set up the Resolution Trust Corporation to deal with the Savings and Loan crisis
  - Cost taxpayers $153BB
  - FIRREA – significant act to protect economy and give federal official more power
- Avoided large programs that would increase the deficit
Bush (cont)

- Foreign Policies
  - Bush came in with USSR undergoing glasnost and perestroika, a turbulent Central America, China in the midst of a small degree of political liberalization. When he left, China had altered economic system, peace had come to some warring Central American states, the Berlin Wall had come down and the Soviet union had ceased to exist.
Bush (cont)

- Foreign Policies (cont)
- Central America
  - Situation had changed thanks to the Tela Accords of 1989- five Central American presidents agreed to a process of fair elections and called for the demobilization of the Contras
  - President and Congress agreed to “Treaty of Washington” whereby suspend discussion of differences in Nicaragua until Feb. 1990 elections
Bush (cont)

- Foreign Policy (cont)
  - Daniel Ortega and the Sandanistas peacefully gave up power- surprised Bush adm.
  - Panama- sent military into Panama to arrest Manuel Noriega; drug trafficking
    - Operation Just Cause was a success
    - Noriega sent to prison
  - Persian Gulf- Gulf War I
    - Operation Desert Shield (restore Kuwait after Iraqi attack from Saddam Hussein
Bush (cont)
- Foreign Policy (cont)
- Persian Gulf (cont)
  - Organized coalition in Congress and UN to change from Desert Shield to Desert Storm
  - Started Jan 17th and ended April 6
  - Significant U.S. victory and president’s popularity soared
  - Leaving Saddam in power led to Iraq War II 2003
Bush (cont)

- Soviet Union and Eastern Europe
  - Within a year of taking presidency, Poland, East Germany, Hungary, Romania and the Baltic States had gained independence from USSR
  - Bush and U.S. defense and intelligence agencies caught by surprise of swiftness of collapse of USSR
  - Germany actually provided assistance to the Kremlin
Bush (cont)
- Foreign Policies (cont)
- Soviet Union (cont)
  - With USSR gone, Bush proceeded to build a new world order
    - Efforts fell short based on differing social, political, economic and cultural issues
- China
  - 1989 Tiananmen Square Massacre sets back recent openness
    - Bush left options open
BILL CLINTON 1993-2001

- Defeated Bush with only 43% of popular vote
- “It’s the economy, stupid!”
- Great failures and triumphs in foreign and domestic policy and personal issues
- Included were Somalia, Bosnia, Kosovo, healthcare, deficit reduction, gay rights, racial, ethnic and gender diversity, economic prosperity, a technological revolution and market crash, and a president impeachment trial for only the second time in history
Clinton (cont)

- Domestic Policies
- Health care- strong progressive program
  - Opposition by conservatives was fierce
  - Plan was too big and too complex to understand
  - Spent much political capital and did not succeed
Clinton (cont)

- Domestic Policies (cont)
- The Economy- overall, strong economic growth
  - Question is how much was due to Clinton’s policies?
  - Inherited $290BB deficit and ended with $124BB surplus
  - Signed in NAFTA; supported WTO; provided funds to IMF
Clinton (cont)

- Domestic Policies (cont)
- Welfare Reform
  - Aid to Families of Dependent Children was replaced by Temporary Assistance for Needy Families- welfare to work; end welfare as we know it
  - Raised minimum wage
  - The earned income tax credit was expanded
  - Welfare rolls dropped by half
Clinton (cont)

- Domestic Policies (cont)
- Diversity in Government Appts. – succeeded in having diversity; mirror of America
- Clinton Administration Scandals
  - Sexual impropriety, womanizing, Vince Foster, Monica Lewinsky
  - Ken Starr and the perjury case
  - Clinton impeached but not convicted
    - Highly partisan and hurt everyone involved
Clinton (cont)
- Domestic Policies (cont)
- Homosexuals in the Military
  - Don’t ask don’t tell- allowed homosexuals to serve in secret
  - Military could not ask if person was gay
Clinton (cont)

Foreign Policies

- Spent 90% of his time on domestic policies
- Challenges: Somalia, Haiti, Bosnian-Serbian and Albanian-Serbian conflicts, Rwanda
- Doctrine of enlargement- expanding market democracies, free trade, developing and supporting multinational alliances and a policy of intervention known as the Clinton Doctrine
Clinton (cont)

Foreign Policies (cont)

Africa-

- 1993- Black Hawk Down; Somalia
- 1994; Rwanda civil war; Hutus vs. Tutsi
  - Mid-July Tutsis set up gov’t; 800K killed in three months

Trade: NAFTA, GATT, WTO
Clinton (cont)

Foreign Policies (cont)

Europe

Serbian-Boznian conflict;
- NATO in 1995 with U.S. assistance bombs Serbs; Serbs attack Kosovo; Russian convinces Serbia to withdraw
- Clinton strove to make Europe safer and more stable
Clinton (cont)

Foreign policies (cont)
- Former Warsaw Pact countries- Poland, Hungary and the Czech Republic, became part of NATO

Latin America
- NAFTA and removing the Haitian dictatorship, rescuing the “peso crisis” in Mexico and initiating free trade
- Anti-drug focus
- Summit of the Americas- Declaration of Principles: supporting democracy, economic integration, free trade and sustainable development
THE RESTORATION OF DEMOCRACY IN LATIN AMERICA

- In 80’s and 90’s many L.A. countries moved towards democracy; Cuba was notable exception
  - Overthrows in Haiti and Grenada
  - Pinochet gov’t in Chile only constitution kept
  - ISI fizzled in the ‘70s- replaced by different economic strategies
  - Neoliberalism became a new economic-political philosophy; Milton Friedman
    - Social justice and minimal government
Countries that followed neoliberalism saw increases in GDP; however, higher unemployment, lower wages, more poverty.

Historical explanations for late 20th century Latin American democracies:

- Neoliberalist economic factors and their impact on democratic institutions
  - Enabled democracy to exist but limited its development
- Neopopulism - direct to the people
- Direct democracy - “consulta” - direct popular vote on an issue; circumvented strong legislatures
Ruling institutions were hybrids of authoritarianism and democracy
- Political clientelism led to lack of transparency left over from authoritarian rule

Factors in the developments of Latin American governments
- Transition from authoritarian to democratic governments was achieved in a short period of time

The uneven political and economic developments is based on geography, post-colonial dependencies, and different cultural models
DEMOCRACY IN L.A. pt. 4

- Geography- does not lend itself to centralization
  - High mts. in west, jungles, massive rivers
  - Autocratic rule; caudillos

- Dependency
  - Spain and Portugal along with Church
    - Exploitive and manipulative direction
    - Mercantilism and monoculture
    - Single crop- coffee, sugar
Culturalism

- Spain and Portugal with Iberian culture
- Catholic Church
- Unchanging society valued vs. dynamic (U.S.)
- Book examples: Peru - democracy and retreat, Argentina - democracy and expanded presidential authority; Uruguay - return to democracy; Brazil - establishing democracy