Chapter 31: The United States in a Global Age, 1992–2010

Chapter Review

I. AMERICAN COMMUNITIES Transnational Communities in San Diego and Tijuana

Like many people along the border, Norma Ojeda crossed over from San Diego to Tijuana daily for work, part of as many as 40,000 “fronterizos” who had relocated for the better schools and greater mobility America offered. Tijuana had been a transnational community since the 1910s and had grown up along with San Diego, a Navy town and defense industry center. By the 1990s, both were diverse cities with populations over 1 million. When NAFTA was adopted, the ties across the border only increased, but while maquiladora factories brought jobs to Mexico, they brought pollution to the cross-border Tijuana River. Although American and Mexican leaders were beginning to address these problems by 2000, the shocks of global terrorism and recession left plans unrealized. But people on both sides of the border had to acknowledge that their transnational community and globalization were here to stay.

II. THE PRESIDENCY OF BILL CLINTON

Clinton promised to bring a new kind of Democratic leadership to the presidency. Responding to the conservative challenge, Democratic Leadership Council members like Clinton sought to shift the Democratic Party away from the liberal tradition of FDR and LBJ and recapture blue-collar defectors and white southern voters “by redefining and reclaiming the political center.” The youthful and energetic, Clinton presented a bold agenda: balancing the federal budget, reforming welfare, reducing crime, promoting economic growth, and ensuring a strong national defense. Reducing the size of the federal government and promoting free markets worldwide became hallmarks of his administration.

a. A “New Democrat” in the White House

Clinton got off to a rocky start in trying to reform health care. Shortly after taking office, in a controversial move, Clinton appointed First Lady Hillary Rodham Clinton, an accomplished attorney, to head a task force to study the issue. The Chamber of Commerce, the National Association of Manufacturers, the Health Insurance Association of America and most Republicans worked to insure that the plan died in Congress in August, 1994, just before the midterm elections.

Clinton’s defeat on health care reform helped the Republicans gain control of both the House and Senate for the first time in 40 years—a disaster of historic proportions for Clinton and the Democratic Party. The new House Speaker, Newt Gingrich of Georgia, denounced big government, promoted free enterprise, and challenged Clinton’s political agenda. Although parts of Gingrich’s “Contract with America” passed, Clinton was able to gain the initiative by championing welfare reform, a traditionally conservative issue. In the 1996 election, Clinton decisively beat Republican Senator Robert Dole. Continuing to
work with rather than against the Republicans, Clinton won a major reform of banking laws in 1999.


b. The “Globalization” President

Clinton, who sought foremost to enlarge “the world’s free community of market democracies” under the moral and economic leadership of the United States, was dubbed by the editors of Foreign Affairs as the “globalization” president. This “globalization” principle drove Clinton’s policy toward the People’s Republic of China (PRC). During the 1992 election campaign, Clinton criticized Bush for continuing “to coddle” China after Tiananmen Square, but once in office Clinton promoted Most Favored Nation status with China, hoping that economic openness would lead to democratic reforms, not only in China, but with Turkey, Indonesia and Saudi Arabia.

During his first term Clinton won two major trade agreements to expand markets and encourage “free trade”: the North American Free Trade Agreement (NAFTA), which eased the flow of goods, services, and investments among the United States, Mexico, and Canada by eliminating trade barriers; and the General Agreement on Tariffs and Trade (GATT), which slashed tariffs on thousands of goods throughout the world and phased out import quotas imposed by the United States and other industrialized nations. NAFTA promoted transnational maquiladoras but did little to boost a weak peso and a sagging Mexican economy. In 1995, Mexico got a $20 billion bailout from the United States.

On humanitarian grounds, Clinton’s accomplishments fell far short of his lofty goals. A 1993 intervention in Somalia ended when 18 soldiers were killed by insurgents. But two years later a U.S.-led NATO bombing campaign persuaded the Serbs to halt vicious ethnic cleansing in the former Yugoslavia, leading to a peace accord. Conflicts over Kosovo brought the United States back into the Balkans in 1999. Yet despite declaring a “Clinton Doctrine” of using U.S. power on humanitarian grounds, neither the United States nor the West intervened in genocidal civil war in Rwanda after 1994. Nor was Clinton able to make much progress on global warming agreements. After world leaders adopted the Kyoto Protocol on climate change in 1997, the United States refused to ratify the agreement.
c. Presiding Over the Boom

Clinton presided over one of the strongest and longest economic booms in American history. A world oil glut kept energy prices down, while American corporations and workers found it difficult to raise prices or win wage increases in the face of stiffer global competition. With government spending down and economic growth increasing tax revenues, the largest federal budget deficit in American history (a quarter trillion dollars) became a surplus by the time Clinton left office.

Perhaps the greatest boost to Clinton’s second term as president came from the soaring stock market of the 1990s, with “tech stocks” leading the way. By the end of Clinton’s presidency, the Dow Industrial average had soared over 10,000. An estimated 78.7 million people held stocks, often through mutual funds or in retirement fund portfolios managed by their employers or unions, sharing corporate profits.

But not everyone benefited. Blue-collar, industrial jobs continued to disappear as factories closed or companies moved production of textiles, auto parts, and even electronics across borders or overseas, while corporate executive salaries soared.

d. High Crimes and Misdemeanors

Questions of private and public morality dogged Clinton’s political career. Questions over the Whitewater real estate deal followed Bill and Hillary Clinton from Arkansas, along with claims by Paula Jones that the then-governor had sexually assaulted her. Special Prosecutor Kenneth Starr investigated these claims but found nothing to prosecute. Instead, Starr presented several impeachable offenses to the House Judiciary Committee that involved the extramarital affair of Clinton’s with Monica Lewinski, a White House intern. The offenses included false testimony under oath, witness tampering, and obstruction of justice as Clinton sought to keep the relationship secret.

Republicans hoping to benefit from the scandal in the midterm elections were bitterly disappointed as the Democrats cut into the Republican majority in the 105th Congress. Voters evidently had more on their minds than President Clinton’s sex life. Newt Gingrich, under pressure from Republican colleagues angry about a campaign strategy that had narrowly focused on Clinton’s impeachment problem, announced his resignation as Speaker of the House and from his seat in Congress. While most Americans saw no reason to continue investigating Clinton, Republicans pressed on with an overtly partisan impeachment. On February 12, 1999, the Senate trial concluded with the president’s acquittal. When Clinton, the first “baby boomer” president, left office, he enjoyed the highest approval rating—65 percent—of any president since Dwight Eisenhower.

III. CHANGING AMERICAN COMMUNITIES

The patterns of growth during Clinton’s administration indicated the further development of the “new economy” amidst globalization and corporate restructuring, as well as the growing service sector, ranging from highly paid lawyers, financial analysts, and software designers...
to poorly paid fast-food employees. In 1965, an estimated 50 percent of all jobs were in the service sector; by 2000, the figure had grown to about 70 percent. Immigration—legal and illegal—grew to meet the demand for workers, and new electronic media transformed the workplace as well as social relations.

a. Silicon Valley

Dubbed “Silicon Valley” in 1971 after the semiconductor chip, that is made of silicon, Santa Clara County, California, flourished thanks to its unique combination of research facilities, investment capital, attractive environment, and a large pool of highly educated people. Silicon Valley gave birth to pocket calculators, video games, home computers, cordless telephones, digital watches, and almost every other new development in electronics, with more than 1,700 high-tech firms that specialized in information technology. Silicon Valley boasted the greatest concentration of new wealth in the United States, while manual workers on assembly lines and in low-paying service jobs clustered in nearby San Jose and Gilroy. These Mexican, Southeast Asian, Iranian, Vietnamese, Cambodian, and Filipino men and women were a cheap non-unionized labor pool with an extremely high turnover rate. As part of the new global economy, Silicon Valley developed strong ties to Pacific Rim companies as both partners and competitors. By the end of Clinton’s presidency, Silicon Valley growth slowed as fewer start ups emerged and high living costs and traffic jams made the area less attractive.

b. New Media and Virtual Communities

Silicon Valley innovations helped reconfigure cultural life around the world with innovations in computers, telecommunications, televisions, computers, cable, and satellites into a global information system. Cable, satellite TV, and the VCR expanded and redefined the power of television as scores of channels became available. Compact Discs (CDs) and Digital Video Discs (DVDs) emerged as the dominant media for popular music and movies, replacing tape-based technologies. Computer-enthusiast networks spun off from ARPANET (the Defense Department’s computer network) led to the World Wide Web, giving millions of Americans access and spreading into a global medium. By 2000, more than half of American households had a computer, and homes, businesses and classrooms went online. Virtual communities grew apace, linked by e-mail, text messaging, and Facebook. Although the rest of the world was catching up—and in some cases surpassing—U.S. electronic usage, American companies continued to dominate entertainment media, with 40 percent of global TV programming produced in the United States.
c. The New Immigrants

During the 1990s, population grew by 32.7 million, more than a third of the growth coming from immigration. By 2000, the percentage of Americans born outside the United States was 11.2 percent, its highest point since 1930; in California, the percentage of foreign born approached 26 percent.

The Immigration Act of 1965 had abolished the national quota, limited immigration from the Western Hemisphere, but reopened the door for Asian immigration, making Asians the fastest-growing ethnic group in the United States. Many were educated professionals from India, whose numbers doubled in the 1990s. The Hispanic population also grew through the decade; by the year 2000, Hispanics replaced African Americans as the largest minority group with 35.3 million.

Mexicans were the largest Hispanic group at 20.6 million, representing nearly 60 percent of the total Hispanic population. Mexican economic weakness and NAFTA both encouraged migration, legal and illegal, as Mexicans mainly came to the United States seeking jobs. As America grew more multicultural, ethnic lines began to blur. In the 2000 census, 6.8 people listed themselves as multiracial. Africans and Latinos contributed to a new “World Beat” music popular from Manhattan to Atlanta to Rio. Growing diversity made some old-immigration and native-born whites nervous, but new laws aimed at stopping illegal immigration and revising quota were ineffective. Californians adopted Proposition 187 to deny social services to illegals, but a federal judge ruled it unconstitutional. Immigration and population change remained divisive issues.

MHL document: Illegal Immigration Reform and Immigrant Responsibility Act at www.myhistorylab.com

d. Growing Social Disparities

The prosperity of the 1990s, while encouraging immigration, did little to alleviate a growing poverty rate or income inequality, both of which reached levels exceeding most other industrial nations by the end of the decade. As CEO pay skyrocketed to 261 times that of average workers, women lagged behind men in earnings, and African Americans and Latinos continued to earn less, on average, than whites. In the spring of 1992, an upheaval in Los Angeles offered the starkest evidence that racial tensions had not eased. Rodney King, a black motorist, had been pulled from his vehicle and severely beaten by four white police officers, who were acquitted on nearly all charges, despite a widely viewed tape of what looked to many like an unjustified beating. South Central LA exploded in riots that killed 50 and left 500 buildings destroyed. Although poverty and unemployment—both far higher than national averages—played a role, racial animosities also came to the fore. Many of the stores looted and burned belonged to Koreans, who were targeted for exploiting the black community while police were accused by the owners of not trying to protect their property. Nearby white middle-class suburbs reacted with alarm as many whites feared even driving through South Central and seemed to wash their hands of the community’s problems.
The situation in Los Angeles was not unique as economic and self-segregation rose. In Atlanta, which claimed the largest share of black suburbanites in the nation (26 percent), the percent living separately from whites had increased from 52 percent in 1990 to nearly 60 percent by 2000. Schools in many areas were becoming more segregated, no longer by law, but by residential patterns. Minorities, especially black men made up a larger share of a swelling prison population while overall crime rates fell. Civil libertarians argued that African Americans were not more prone to crime but were far more likely to be stopped, searched, arrested, convicted, and given harsher penalties than whites. Critics singled out the practice of “racial profiling” whereby police seemed to be charging people with “driving while black”.

b. The Culture Wars

At the 1992 Republican convention, Pat Buchanan announced a “culture war” for the soul of America and he highlighted concerns over abortion, gay rights, school curricula, free speech, and other areas that seemed to challenge traditional American values. A growing American racial and ethnic diversity and the expansion of gays’ and women’s rights, worrisome to Buchanan, were celebrated by many as desirable multiculturalism. “

Conflicts over gay marriage led President Clinton to sign the Defense of Marriage Act in 1996, declaring gay couples ineligible for federal spousal benefits and allowing states to refuse to recognize gay marriages legally performed in other states. The issue of same-sex marriage continued to evolve on the state level. While five states allowed gay marriage by 2010, 30 others enacted bans. When the California Supreme Court ruled in favor of gay marriage, voters approved Proposition 8 reversing the decision, that a federal judge then threw out in 2010. Gay marriage’s legal status is unclear but it remains a powerful symbolic issue.

Reproductive rights were another hot-button issue. While Operation Rescue targeted abortion clinics and several abortion providers were murdered, Congress enacted a law providing protection to clinics. Although violence declined, attacks continued, including the murder of Dr. George Tiller in 2009, a Wichita provider of late-term abortions. He was murdered while in his church.

Research using fetal stem cells also provoked controversy. Although scientists hope to find cures for diseases from diabetes to Alzheimer’s, conservatives opposed destruction of human embryos to start cell lines. In 1995, in response to pressure from the National Right to Life Committee, Congress banned the use of federal funds for such research. When Clinton loosened the ban, more controversy ensued, with many Christian groups leading the opposition.
IV. PRESIDENT GEORGE W. BUSH AND THE WAR ON TERROR

The end of the Cold War left the United States the world’s only superpower, but hardly assured security as Soviet communism was succeeded by more fanatic, less predictable foes. The September 11, 2001 attacks on the World Trade Center and the Pentagon were a moment of change for the Bush presidency as it looked to reconfigure American foreign policy and domestic politics around the strategy of a “war on terror.” Following events led to the Iraq War, an event that defined the Bush presidency more than any other issue.

a. The Election of 2000

After a relatively dull campaign season, the 2000 election played out as high drama. Voters went to the polls as usual on election day, watched as late-night television newscasters projected a victory for the Democratic candidate, Clinton’s vice president Al Gore, and then woke up the next morning to learn that perhaps the winner was not the vice president but his Republican opponent, Governor George W. Bush of Texas, son of former president George H. W. Bush. By morning, Gore had called Bush to concede. The New York Times, however, ran a guarded headline “Bush Appears to Defeat Gore.”

The 2000 campaign played out as the first disputed presidential election since 1876 as the race came down to Florida’s 25 electoral votes. After Florida completed its machine recount of votes, the Democrats requested a hand tally in selected counties where the ballots were in dispute. Meanwhile Florida election officials, mainly Republicans, set November 14 as the date to certify the election results, thereby disallowing the returns on overseas ballots which might favor Al Gore. Both sides went to court, and after Florida courts upheld the recounts, the U.S. Supreme Court, by a 5 to 4 vote on partisan lines, stopped the recounts and returned to the original count favoring Bush. On December 12, Gore conceded defeat, despite having received over 500,000 more votes than Bush.

b. Terrorist Attack on America

On September 11, 2001, hijackers armed with knives and box cutters crashed two jetliners into New York’s World Trade Center towers, while a third jetliner slammed into the Pentagon in Virginia, and a fourth crashed in a field near Pittsburgh as passengers fought the hijackers. More than 2,700 died in the collapsing World Trade Center towers including hundreds more in the planes and first responders on the ground.

The attack both shocked and mobilized Americans, government and civilians alike. Terrorism was not new; since a 1993 bombing at the same towers, terrorists had attacked American embassies in Africa and nearly sunk the USS Cole in Yemen, but the 9/11 attacks were by far the most deadly on American soil to that time.

The September 11 terrorist attacks transformed the presidency of George W. Bush and prompted dramatic changes in the conduct and goals of American foreign policy. Bush denounced the “despicable acts of terror” and promised to hunt down those responsible.
Congress immediately authorized Bush to take all steps necessary to defend the nation, and NATO invoked its mutual security clause and pledged aid. Across America people rushed to donate blood, hung out flags, and accepted much more restrictive airport security. Bush identified Osama bin Laden and his Afghanistan-based Al Qaeda as the culprits, Islamic fundamentalists who had declared war on the West and apparently planned and funded the hijackings.

C. Reshaping U.S. Foreign Policy

In response to the attacks, Bush announced that “any nation that continues to harbor or support terrorists will be regarded by the United States as a hostile regime.” On October 7, after the Taliban had refused to comply with demands that they turn over bin Laden and cease all support for terrorists, Bush launched Operation Enduring Freedom, a joint American-British military campaign to capture bin Laden and overthrow the Taliban. An aerial bombing campaign targeted Taliban and Al Qaeda forces, and a ground force of 10,000 toppled the Taliban but failed to capture bin Laden, who escaped, most likely into Pakistan. In his 2002 State of the Union address, President Bush expanded on his vision of a global war on terror, denouncing terrorism as well as calling North Korea, Iran, and Iraq an “axis of evil.” The president stated that this cabal threatened global security with weapons of mass destruction. In the fall of 2002, a new National Security Strategy Report presented the most radical revision of American foreign policy since the Truman administration and committed the United States to preemptive action to prevent terrorist attacks. Congress responded in the fall of 2001 with the USA Patriot Act (revised and expanded in 2003), giving federal officials new powers to investigate and pursue terrorists at home and abroad. More than a thousand people, mostly Muslim Americans, were arrested and detained, although few were charged with any crime. Congress also authorized a new Department of Homeland Security (DHS), consolidating 22 different domestic agencies to coordinate the nation’s defense against military threats and terrorist attacks. The unwieldy new bureaucracy struggled to manage its new responsibilities, leaving critics worried that too many targets were still vulnerable.

The Bush Administration was slow to launch a full-scale inquiry into the attacks. A commission appointed in November 2002 finally reported in 2004 that bureaucratic rivalry between the CIA and FBI had prevented putting together the intelligence that might have prevented the attacks despite clear evidence that “Islamic terrorists mean to kill Americans.”


d. Invasion of Iraq

The newly announced Bush Doctrine of preemptive war met its first test with Iraq. Urged on by Vice President Cheney and Secretary of Defense Rumsfeld, Bush focused on
removing Iraq and Saddam Hussein as the greatest threats to American security. Bush officials asserted in a series of speeches that Saddam was developing chemical and nuclear weapons of mass destruction, had supported Al Qaeda and aided the 9/11 attacks, and had to be removed to promoted democracy in the Middle East. While war planning went on, veteran diplomats and intelligence officials questioned all these claims. Millions of citizens began organizing an Internet network of antiwar activists through MoveOn.org and held vigils to protest the war across the nation. The movement went global with massive demonstration, not only in New York City, but in London and Rome. Seeking international support, Bush took his case to the UN. After Secretary of State Colin Powell repeated the administration’s claims, Security Council action was blocked by France, Germany, and Russia. Turning instead to a “coalition of the willing,” with Britain as his main partner, on March 19, President Bush announced the beginning of war, claiming the United States “has the sovereign authority to use force in assuring its own national security.” After a “shock-and-awe” air campaign targeted Baghdad and other main Iraqi cities, an American and British force of 150,000 overwhelmed the Iraqi army, suffering relatively light casualties. On May 1, aboard the USS Abraham Lincoln and under a “Mission Accomplished” banner, Bush announced: “In the battle of Iraq, the United States and our allies have prevailed.”

Overthrowing Saddam’s regime proved far easier than bringing peace and democracy to Iraq. Widespread civil disorder broke out, resistance groups of various stripes attacked any Western organization, and Shiites and Sunni fought each other for supremacy. The war created millions of refugees and strengthened a new generation of terrorists determined to do battle with America. Far from being pacified, Iraq required mounting American forces, many soldiers serving multiple tours and facing the toughest fighting since the Vietnam War.

As early as 2004, UN weapons inspectors concluded that Saddam had no active chemical or nuclear weapons programs. At the same time, abuses of Iraqi detainees at Abu Ghraib went public with graphic photos. Despite Bush’s declaration of disgust with the mistreatment, White House internal memos written by legal counsel Alberto Gonzales had urged Bush to exempt suspected terrorist from the Geneva Convention on the treatment of prisoners of war.

In 2005, Iraqis elected a convention to write a new constitution, one that Bush hailed as an historic step toward democracy. Saddam Hussein, captured by U.S. forces in December 2003, was tried and executed by the new Iraqi government. Yet the occupation dragged on, sapping military resources and forcing the employment of National Guard units on extended tours and preventing soldiers from leaving service through a controversial “stop-loss” program. By 2005, 1,500 Americans had died in combat (along with at least 100,000 Iraqi civilians) and war costs reached $800 billion, pushing the deficit to record highs.
e. Bush’s Compassionate Conservatism

President Bush launched his reelection bid determined to make national security and the war on terror the centerpieces of his campaign. With Iraq dominating the news, Bush described himself as a “wartime president” and appealed to patriotism and national unity.

As the election cycle unfolded, Bush’s Democratic opponent, Senator John Kerry of Massachusetts, was unable to communicate a clear position on the Iraq war, which had potentially damning effects on his campaign. Along with many other Democrats, he had voted to authorize the use of force, but he criticized Bush’s conduct of the war. Bush won reelection with 51 percent of the popular vote to Kerry’s 48 percent, a three-million-vote margin. He garnered 279 electoral votes to Kerry’s 252, as Ohio, with 20 electoral votes, proved the key state. As Republicans also gained seats in Congress, Bush claimed his victory represented a victory for his Iraq war policy and promised to spend his hard-won “political capital” on the domestic front as well.

Tax cuts, a strong military, and overhauling entitlements were Bush aims from the start of his presidency. The 2001 tax cuts favored the rich, and the small cuts for low- and middle-income Americans were eaten up by local tax hikes and rising college tuition. Bush also achieved a major campaign goal with the No Child Left Behind education act passed in 2001 with support from liberal Democrat Ted Kennedy, mandating higher standards math and reading and giving parents freedom to move children out of schools that did not reach goals. In 2003, Bush sponsored a huge increase in Medicaid spending with an expanded prescription drug benefit, but his ambitious efforts to partially privatize Social Security failed. Overall, Bush’s economic program was of little benefit to most Americans, whose incomes, adjusted for inflation, fell during his terms.

Bush faced considerable criticism in 2005 for his administration’s slow response when Hurricane Katrina swept across Florida and headed for the Louisiana coast near New Orleans. Local authorities ordered the city evacuation and Bush ordered FEMA to coordinate relief efforts with state and local government. Hurricane Katrina made three landfalls in Louisiana, blowing houses off their foundations and submerging others. Canal levees failed, and by August 31, 80 percent of New Orleans was underwater. President Bush appeared perplexed by the situation and continued his vacation in Texas rather than going to New Orleans. Louisiana Senator Mary Landrieu characterized FEMA’s response as “staggering incompetence,” and Bush and FEMA alike were attacked in the press. New Orleans, with a poverty rate of 23 percent, 76 percent higher than the national average, was nearly 68 percent African American. One year after Hurricane Katrina, and despite President Bush’s prediction, New Orleans had not recovered.

f. Divided Government, Divided Nation

In the 2006 midterm elections, Democrats took control of both houses of Congress for the first time since 1992, and Nancy Pelosi became the first female Speaker of the House. While Congress debated cutting funding for the Iraq War, Bush announced a
controversial “surge” of troops in an effort to end the insurgency, and by the end of 2008 violence had declined considerably allowing the president to announce Iraq troop levels could be reduced, although many were then deployed to Afghanistan. Despite the surge, the Iraqi situation remained grim with a weak and divided government and little public confidence. Millions had fled Iraq, including middle-class professionals and many more people were displaced internally by sectarian violence. U.S. deaths in Iraq reached 4,400 by the time Bush left office, along with untold thousands of Iraqis. A Senate investigation revealed that Bush had relied on false or knowingly misrepresented intelligence in claiming the war was necessary because of Saddam’s weapons of mass destruction. To fund the wars without raising taxes, Bush pushed the deficit to record levels with the national debt reaching $1.3 trillion. With a growing share of U.S. securities in foreign hands, especially the Japanese and Chinese governments, the IMF warned that American debt threatened world financial stability. As the election of 2008 neared, Bush’s approval ratings plummeted, with almost three quarters of Americans disapproving of his performance.

V. BARACK OBAMA AND THE AUDACITY OF HOPE

The 2008 election came in the midst of financial crisis and widespread doubts about America’s future and brought to office Barack Obama, the nation’s first African American president.

MHL video: The Historical Significance of the 2008 Presidential Election at www.myhistorylab.com

a. The Election of 2008

When Obama took the oath of office on January 20, 2009, he ended an improbable journey that few would have predicted even a year before. Although the Democratic takeover of Congress in 2006 set the stage for a Democratic president, when Obama announced his candidacy in January 2007 he was a relatively unknown first-term Senator from Illinois. Born in Hawaii to a white American mother and a black Kenyan father, Obama grew up in an extended multiracial family. After his parents separated, Obama lived in Hawaii and Indonesia, much of the time with his white grandparents. After graduating from Columbia in 1983, Obama worked as a community organizer in Chicago before going to Harvard Law School, where he graduated in 1991. After winning a seat in the Illinois state Senate in 1996, Obama failed in his first run for national office, losing a Congressional election. In 2004, he won a Senate seat and won national attention for a keynote address he delivered at the Democratic National Convention. When he began his presidential campaign barely two years later, he was widely seen as an underdog to Hillary Clinton, the former First Lady who had been elected to the Senate representing New York in 2000. While Clinton relied on party machinery for support, Obama organized a grassroots campaign. After a surprise win in the Iowa caucuses, his campaign gained momentum while Clinton’s seemed to stall. In a series of debates with Clinton, Obama was able to lay out his positions and become better known by Americans, although many continued to doubt an African American could win the presidency. In
March of that campaign year, a controversy over militant sermons by Obama’s Chicago pastor, Jeremiah Wright, proved an opportunity for Obama to define himself further with a powerful speech on race in America in which he told his personal story and said that with “the audacity of hope” Americans could rise above racial divisions.

Obama clinched the nomination in June and chose Joe Biden of Delaware as his running mate. His campaign continued to rely on grassroots organization, the Internet, and a powerful appeal to idealistic young people and minorities. The Republican race was equally unpredictable as early frontrunners fell aside and John McCain emerged as the nominee. A Vietnam POW and experienced Senator, McCain surprised many with his pick of Alaska Governor Sarah Palin as his running mate. Although Palin excited the conservative party base, in TV interviews she seemed uninformed on foreign policy and other issues, raising questions of whether she was ready to be a heartbeat from the presidency.

In November Obama won convincingly in both the popular and electoral vote and carried reliably Republican North Carolina and Virginia. The economy played a role in the election, but it appeared Americans had responded to Obama’s message of hope and change.

MHL audio: Barack Obama, Excerpt from The Audacity of Hope at www.myhistorylab.com

b. The Great Recession

The later stages of the election were overshadowed by a sharp and unexpected recession triggered by an overheated housing market that collapsed, causing a stock market crash and a wave of bank and business failures. The Bush administration—with Obama’s support—created a Troubled Asset Relief (TARP) program to bail out banks and buy up toxic assets, but as Obama took office the economy continued to worsen.

c. Obama in Office

At Obama’s urging, Congress passed a $787 billion stimulus bill in February 2009, combining tax cuts for most Americans with public works spending and extensions of unemployment and welfare benefits. Although Obama hoped the stimulus would save or create millions of jobs, the effects fell well short and little of the benefits seemed to reach average Americans who were facing foreclosure and struggling with unemployment, rising college tuition, and shrinking state spending. While conservatives blasted the stimulus as wasteful and excessive, many economists warned the stimulus was too small to be effective. Through 2010, unemployment hovered around 10 percent and Americans grew increasingly restless with the slow pace of economic recovery.

In foreign policy, Obama had promised a break with Bush-era policies and with Secretary of State Hillary Clinton set out to mend fences abroad. In 2009, Obama gave a speech in Cairo calling for the United States and Muslims around the world to work together with
mutual respect in their common interest. The speech was well received, but Obama’s policies did little to back it up: The notorious Guantanamo prison was not closed as he had pledged, noncombat American troops remained in Iraq, and the war in Afghanistan expanded. Awarded the Nobel Peace Prize in 2009—more for expectations than performance—he gave another idealistic speech calling for peace and understanding.

In domestic policy, Obama signed The Lily Ledbetter Fair Pay Act allowing workers more time to sue for unequal pay and lifted Bush-era bans on stem cell research and abortion funding abroad. He also put two women on the Supreme Court, one the first Latina justice. A controversial decision to bail out Chrysler and GM seemed to work but did little to bring back jobs.

Obama’s main domestic initiative was an overhaul of health care law to guarantee that nearly all Americans would have affordable coverage and that insurers would be blocked from practices such as denying coverage for preexisting conditions. A bill giving Obama much, but not all he wanted passed in March 2010 after bitter battles in the House and Senate and without a single Republican vote, casting doubts on the success of Obama’s promise for bipartisanship in Washington, highlighting philosophical differences between the parties on individual initiative and government programs.

V. CONCLUSION

From 1992 to 2000, the United States faced new challenges, from globalization and multiculturalism to technological change to the threats of international terrorism. Presidents Clinton, Bush, and Obama each responded to these challenges in different ways, but all struggled with the same problems of America’s place in a changing world and how to deal with internal tensions in a less-than-united United States

Learning Objectives:

1. As a “New Democrat,” what changes in public policy did Bill Clinton promote during his presidency?
2. What factors contributed to the economic boom of the 1990s?
3. What major demographic shifts did the 2000 U.S. Census reveal?
4. How did the presidency of George W. Bush rekindle conservatism in the early years of the twenty-first century?
5. Is globalization a meaningful term and, if so, how did it affect U.S. policies at home and abroad?
6. How did the threat of global terrorism transform the American political landscape in the first decade of the twenty-first century?

Discussion Suggestions and Possible Answers

1. What did Bill Clinton mean when he proclaimed himself a “New Democrat”? What new policies did he pursue as president?
Answer: Bill Clinton sought to successfully eliminate the budget deficits of the Reagan-Bush era, as the nation enjoyed remarkable economic prosperity in the 1990s. On social programs, Clinton tried to balance traditional Democratic goals such as expanding access to health care while reforming other programs, most notably welfare and seeking to reduce crime. His policies were aptly summarized by his statement that “The era of big government is over.” Clinton also embraced free trade, securing free trade agreements such as NAFTA, for which he was soundly criticized by labor unions, a traditional democratic constituency.

2. Discuss the positives and negatives of globalization. What people have been most affected by globalization?

Answer: Globalization reduced tariffs and eliminated import quotas around the world. Free trade made a wider range of consumer products available to American consumers at lower prices and contributed to the economic prosperity of the decade. However, globalization and free trade accelerated the loss of American manufacturing and industrial jobs abroad, to countries like Mexico and China, where labor costs are much lower than in America.

3. How did President George W. Bush respond to the terror attacks of September 11, 2001?

Answer: Despite attacks against the World Trade Center in 1993 and U.S. targets elsewhere around the world, the devastating terror attacks of September 11, 2001 caught the entire country by surprise. First the United States launched attacks against Afghanistan, where the Taliban regime had protected Al Qaeda leader Osama bin Laden. The United States also used the attacks as a pretext for launching an invasion of Iraq, despite the fact there were no substantiated connections between Iraq and Al Qaeda. More broadly, President Bush announced that the United States would launch preemptive attacks if they were deemed necessary to defend American national security.

4. Do you think that your standard of living will be greater than that of your parents? Will your lifestyle be more comfortable or fulfilling? Why or why not?

Answer: For Americans with the education and skills to take advantage of the new economy, quality of life, in terms of income and lifestyle, should continue to improve. Technology has improved access to goods and services at cheaper costs. However, many others are likely to be left behind as American society seems likely to become increasingly stratified by race and income.

5. What are the defining issues of the early twenty-first century? What leadership did President George W. Bush offer on these issues? What other sources of leadership are available to various communities within the United States?

Answer: Globalization, the war on terror, continuing racial differences, and environmental issues like global warming appear to be the most important issues of the early twenty-first century. While President Bush refused to accept the Kyoto Protocol on global warming, most other nations embraced the effort to reduce greenhouse gasses. Elsewhere, President Bush
was sharply criticized for his administration’s inept response to Hurricane Katrina, which affected the disproportionately poor and black residents of New Orleans. Meanwhile the wars in Iraq and Afghanistan continued to divide the American people, pushing President Bush’s popularity ratings to historic lows.

**Lecture Outline**

American Communities: Transnational Communities in San Diego and Tijuana

The Clinton Presidency
   - A “New Democrat”
   - Globalization and Clinton
   - Presiding over a Stock Market Boom
   - High Crimes and Misdemeanors: the Clinton Impeachment

Changing American Communities
   - Silicon Valley
   - New Media and Virtual Communities
   - Immigrants in the New Economy
   - Growing Social Disruption
   - Culture Wars

The Bush Presidency and the War on Terror
   - Disputed Election of 2000
   - September 11, 2001: Terrorist Attack on America
   - The Bush Doctrine and American Foreign Policy
   - Invasion of Iraq
   - Compassionate Conservatism and Hurricane Katrina
   - Partisan Divide in Government and Policy

Barack Obama and the Audacity of Hope
   - The Election of 2008
   - The Great Recession and its Costs
   - Obama in Office: Foreign and Domestic Initiatives

**Resources (Web, Films/Video)**

**Films/Video**
One of the best sources for audio-visual materials on contemporary events is the *Frontline* video series. See the index at: [http://www.pbs.org/wgbh/pages/frontline/view/](http://www.pbs.org/wgbh/pages/frontline/view/).

*When the Levees Broke* (255 minutes). Forty Acres and a Mule Production, 2006. Spike Lee’s account of the devastating impact of Hurricane Katrina on the city of New Orleans.
My History Lab Connections

Read and Review

**Read the Documents**
- Statements of the Clinton Health Care Plan (1993)
- Illegal Immigration Reform and Immigrant Responsibility Act
- George W. Bush, Address to Congress (2001)

**Hear the Audio**
- Barack Obama, Excerpt from The Audacity of Hope

**See the Maps**
- Immigration to the United States 1945–1990

Research and Explore

**Read the Documents**
- Exploring America: Globalization

**Read the Biographies**
- Bill Gates
- Jesse Jackson

**See the Videos**
- Bill Clinton Sells Himself to America: Presidential Campaign Ad, 1992
- Bill Clinton First Inauguration
- The Historical Significance of the 2008 Presidential Election
- The Connection between Obama and Lincoln

**Critical Thinking Exercises**

Ask students to survey ten of their fellow students on their attitudes toward the future. Prepare a list of questions that center on whether the students feel their standard of living will be better than that of their parents, whether they will live in a more peaceful world than their parents, whether they will live in an environmentally safer world than their parents, etc. The class could then prepare a summation that would reflect how a student community sees its future.