

CHAPTER 32

Clinton: Bold Leadership Tarnished

By 1992, the American people were eager for political change. William Jefferson (“Bill”) Clinton, a Democrat, won the presidential election and assumed office in January 1993.

Clinton was intelligent and politically skilled. He took public opinion seriously, and, to some degree, this close attention to national trends strengthened his presidency. Moreover, he was not afraid to act. He took bold steps to stimulate the economy and presided over its longest expansion. In working toward global peace, he made many friendships for the United States.

Nevertheless, Clinton became the first president to be impeached by the House and tried by the Senate since 1868, when the Radical Republicans targeted Andrew Johnson (see page 194).



DOMESTIC POLICY

Economy As the new president, Clinton was burdened with a weak economy, inherited from the previous administration. He quickly organized and presented to Congress an innovative financial plan. Legislators from both parties expressed big doubts, but the plan passed by one vote in each house. It raised the income tax rate, increased the federal gas tax, cut federal spending, and aimed for a \$5 billion reduction in the federal deficit over five years.


By 1997, there were many signs that the recession was at an end. Unemployment and inflation were down, interest rates were stable, and the stock market reported record highs in investments and earnings. New York City, New York State, and the federal government all had budget surpluses. Much of the credit for this turnaround was given to the chairman of the Federal Reserve, Alan Greenspan, for his skillful management of the economy during these years.

On the negative side, the trade deficit was still too high. Americans were buying imports worth much more than what the nation was exporting.

Overall, however, the strengthened U.S. economy was Clinton’s greatest accomplishment. Many other issues that also required the president’s attention did not have equally successful results.

Stability of Social Security There was a serious question as to whether the Social Security System would be able to continue providing medical care and social security payments as in the past. These doubts sprang from two projected statistics: (1) the expected increase in recipients as people lived longer and (2) the large population of “baby boomers” (those born in 1946 and afterward) soon to become eligible for benefits. Although this change in demographics would seriously strain the system’s resources, no acceptable plan for its future funding was forthcoming.

Gun Control With nationwide crime still an issue, Congress passed a gun control law in 1994. The *Brady Bill* was named for an assistant to Reagan who had been

 FEDERAL DEBT, 1970–2000 (billions of \$)		
Year	Debt	As Percent of Gross Domestic Product*
1970	\$ 380.9	38.7
1975	541.9	35.9
1980	909.0	34.4
1982	1,137.3	36.4
1984	1,564.6	42.3
1986	2,120.6	50.3
1988	2,601.3	54.1
1990	3,206.5	58.5
1992	4,002.1	67.6
1994	4,643.7	70.0
1998	5,478.7	65.2
2000	5,686.3	59.4

*Annual market value of all U.S. goods and services.

injured when a gunman tried to assassinate the president in 1981. The law aimed to prevent gun dealers from selling firearms to people with criminal records. Passage of the Brady Bill was a milestone. Although many Americans want tighter control on gun purchases, many others oppose gun control as an undue limit on personal freedom. Indeed, Congress has not, to date, passed any further gun control legislation.

Health Care As a presidential candidate, Clinton had promised that he would work to bring affordable health care to all. In 1993, he presented a plan to Congress and appointed his wife, Hillary, as leader of a task force to work out the details. Critics claimed that the plan would be too expensive, too complex, and too limiting on patient choices. Insurance companies, in particular, lobbied fiercely against the initiative. In 1994, Congress voted to reject the plan but, since then, has failed to put another one in place.

AIDS Conflicts arose over how to slow the spread of AIDS (Acquired Immune Deficiency Syndrome), a fatal disease transmitted through sexual contact or the sharing of needles by drug users. Related issues included how to pay for expensive medicines and the right to confidentiality of people suffering from AIDS. It was agreed that the best defense was for people to engage in “safe sex” and to avoid contact with contaminated blood. Nevertheless, the very sensitive nature of the disease led to the failure of many people and groups to air the issues properly. In addition, no one was sure of how to stop the spread of the disease effectively. Eventually, new drugs showed some promise of slowing the progress of the disease and prolonging the lives of those affected.



United States Supreme Court after Clinton appointments. Front row (from left): Antonin Scalia, John Paul Stevens, Chief Justice William H. Rehnquist, Sandra Day O'Connor, Anthony Kennedy; back row (from left): Ruth Bader Ginsburg, David H. Souter, Clarence Thomas, Steven G. Breyer.

Supreme Court Appointments During Clinton's first term, two seats on the Supreme Court became available. Clinton, the first Democratic president in 26 years to name justices to the highest court, chose Ruth Bader Ginsburg of Brooklyn, New York, and Stephen Breyer of Boston, Massachusetts.

Although the new appointments represented an increase in moderate political views on the Court, the conservative element remained strong and, for the most part, united. Often enough, it succeeded in advancing the conservative political agenda through Court decisions.

INFO CHECK

1. Describe Clinton's 1993 financial plan. Give specific examples to show whether it succeeded or failed.
2. Explain why new concerns about the Social Security System arose in the early 1990s.
3. "The country needs a health care plan—just not Clinton's." In your opinion, is this a fair statement? Why or why not? Who might have made this statement?
4. How did the appointments of Ginsburg and Breyer change the political makeup of the Supreme Court? Would you describe the Court in the mid-1990s as liberal, moderate, or conservative? Explain.



Speaker of the House Newt Gingrich holding a copy of the Republican Contract With America

Midterm Congressional Elections For many Americans, Clinton was too liberal, particularly on social issues. Moreover, he had lost face when his health care plan failed. In the congressional elections of 1994, Republicans took major control of both houses for the first time in 40 years. They then rallied around a platform called the *Contract With America* and chose Newt Gingrich, a conservative Republican from Georgia, to be Speaker of the House. A controversial figure, Gingrich championed a number of antifederal policies:

- balanced budget amendment
- term limits for Congress
- welfare reform (cutbacks)
- stronger powers for the states
- reduction of federal regulatory powers over business and the environment



Rex Babin, © 2003 Times Union, Albany, NY

Clinton opposed much of this agenda as being hurtful to the poor and middle class. Meanwhile, under the Gingrich leadership, Congress blocked many of the president's proposals, hoping to pave the way for a Republican presidential victory in 2000.

In 1995, the federal government shut down as a result of Clinton's conflict with the Republican leadership's punitive budget cuts. From this harsh situation, however, sprang some of Clinton's biggest achievements. In early 1996, a compromise bill on welfare reform was passed, as was a bill giving the president the use of the **line-item veto** (saying no to specific items in a bill without vetoing the bill entirely). In addition, farm subsidies were cut, federal money was appropriated to combat terrorism, the minimum wage was increased, and continued health insurance was guaranteed to workers who changed jobs.

Elections of 1996 and 1998 In 1996, Clinton, running for a second term, successfully focused public opinion on the Republicans' role in the government shut-down of 1995. He had also stolen the limelight from the Republicans by signing the welfare reform bill and working hard to balance the budget. But the Republican party continued to dominate Congress even as Clinton was reelected.

In the 1998 elections, however, the Democrats gained five seats in the House, and Gingrich unexpectedly resigned as Speaker. Therefore, during his second term, Clinton was better able to move his own agenda forward.

Environmentalism Vice president Gore, an early supporter of environmental causes, persuaded Clinton to oppose Republican efforts to undermine the Clean Water Act (passed under Nixon). Several times, the president vetoed congressional attempts to weaken environmental standards. As a result, Clinton earned the best conservation record since Theodore Roosevelt. His achievements included stronger air pollution controls as well as additional protection for wilderness areas, national forests, and national parks. He also signed the 1998 *Kyoto Protocol*, an international agreement to combat the kinds of pollution that increased global warming. (Clinton's successor, George W. Bush, withdrew from the agreement [see page 433].)

Social Legislation Mindful of his presidential legacy, Clinton worked steadily to solidify his reputation as a progressive president. His accomplishments included the following:

In this cartoon, identify the symbolism related to the use of automobiles in the United States.



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- expanded earned-income tax credits for families with low incomes
- health initiative affecting 3.3 million children, which doubled Head Start (nursery) and school aid for the needy
- welfare-to-work program, or “workfare,” which made job training available so that people could give up dependency on welfare.

As a result, about \$64 billion was allocated annually to working-class and poor families. Moreover, for the first time in more than 20 years, the lowest-income families made gains from good national economic conditions.

Campaign Finance During the Clinton administration, the issue of campaign finance reform was hotly debated. Everyone knew that political parties needed money—lots of it—to run campaigns, but many were concerned about their sources of funding. Much of the money came from **political action committees (PACs)**. These organizations lobbied heavily to influence the decisions of government officials, and they functioned with far fewer restrictions than those placed on individuals and businesses.

Another issue was “soft money”—funds given directly to a political party and not to specific candidates. The courts ruled that most spending limits on such contributions were unconstitutional because such contributions were a kind of free speech. In 1999, Congress rejected legislation to impose limits on campaign spending.



INFO CHECK

1. Identify: line-item veto, Kyoto Protocol, “workfare,” PAC, “soft money.”
2. What was the Contract With America, and how did it come about?
3. What strategy did Clinton use to draw national attention away from the conservative Republican agenda?
4. What kind of president did Clinton want to be remembered as? What did he do to further this goal?



FOREIGN POLICY

Clinton’s foreign policy initiatives embraced two main themes: economic globalization and diplomatic efforts to restore peace to warring nations.

- *North American Free Trade Agreement (NAFTA)*: The Bush administration had already held extensive discussions with Canada and Mexico regarding economic issues within the hemisphere. These discussions led to approval of a draft version of NAFTA. In 1994, the final version was passed by Congress and signed by Clinton. This economic alliance with Canada and Mexico reduced tariff and trade restrictions among the three nations.
- *World Trade Organization (WTO)*: After World War II, the United States and other economically powerful nations set up the *General Agreement on Tariffs*

Autoworker on an assembly line in Mexico City, 1995



and Trade (GATT) to reduce tariffs, limit other trade barriers, and settle international trade disputes. In 1995, GATT became the *World Trade Organization (WTO)*, the main overseer of international trade. Its mission is to settle trade disputes, labor-standards issues, and questions of foreign investments. WTO has aroused controversy for promoting trade by **multinational corporations** (big businesses operating in several countries) at the expense of workers' rights and the environment. Clinton was only marginally successful in asking WTO to address the plight of poor laborers, the trade problems of developing nations, and misuse of the environment.

Diplomacy Clinton viewed national security through a broad lens so as to include such related issues as the spread of disease, poverty, and ethnic strife. By the end of his term, the United States had compiled a generally positive record on global involvement, especially regarding revitalization of the UN and regional peacekeeping alliances.

U.S.-Russian Relations As the first post-cold-war president, Clinton helped to advance democracy in Russia and promote a free market there. Even though Yeltsin's presidential leadership had not yet stabilized, the United States allied itself with him. This American posture inspired other nations to deal with Russia in spite of the large-scale corruption and criminal activity within the Russian economy.

Many Russians remained skeptical of the American leadership and its intentions. Nevertheless, the U.S.-Russian alliance helped thwart a return to communism and secured Russian support for the American efforts to end war in the Balkans (see the next section).

Clinton and Yeltsin negotiated the *Strategic Arms Reduction Treaty (START II)*, which aimed to reduce the nuclear weapons of each power by two-thirds. Ratified by the U.S. Senate in 1996, the treaty remains unratified by the Russian parliament.

In 1996, the leaders also negotiated the *Comprehensive Test Ban Treaty (CTBT)* to ban nuclear testing and thus discourage development of deadlier weapons and the spread of nuclear capabilities to other countries. To date, the treaty remains unratified by the U.S. Senate.



Clinton and Yeltsin meet in New York, October 1995.

In 2000, Vladimir Putin became the Russian president after Yeltsin's sudden resignation. In the early days of his leadership, he was a puzzling figure to the West's leaders. It was to be the responsibility of Clinton's successor to deal with Putin.

The Balkans In 1991, Bosnia-Herzegovina declared independence from Yugoslavia, a nation that had been created after World War II and consisted of six united republics. (The largest and most powerful republic was Serbia, site of the Yugoslavian capital of Belgrade.)

In 1992, the United States recognized Bosnia, whose population included Bosnian Muslims, Serbian Orthodox Christians, and Croatian Roman Catholics. As Yugoslavia broke apart, centuries of ethnic and religious jealousies and conflict surfaced and brought on civil war. Fighting began when Serb nationalists attacked Muslims and Croats for power within Bosnia. As mounting death and destruction caused people to flee their villages as refugees, the European Community (EC), NATO, and the UN all tried to end the fighting. In 1993, the United States reluctantly agreed to lend military assistance to a peacekeeping mission. In 1995, U.S. mediators met with the three warring factions in Dayton, Ohio. They succeeded in negotiating a treaty by which 51 percent of Bosnia became a Croat-Muslim federation and the remaining territory a Serbian republic.

By 1997, American forces were again called to the Balkans. When the province of Kosovo had attempted to gain independence from Serbia, Serbian forces under President Slobodan Milosevic had responded with "**ethnic cleansing**"—the use of force and terror to remove a minority with a distinctive culture, in this case, Muslim Albanians living in Kosovo. A subsequent bombing campaign against the invading Serbs forced them to flee homewards. In 1999, they agreed to a truce

UN peace-keeping forces in the Balkans



that required withdrawal of all their troops and the ongoing presence of NATO peacekeepers in Kosovo.

As a result of this campaign and its resolution, NATO's role had grown to include fighting against ethnic conflicts in Eastern Europe, and, in this effort, the European powers had united behind the United States. In 1999, NATO membership was expanded to include the Czech Republic, Hungary, and Poland.

Middle East Clinton came close to achieving a degree of understanding and settlement in the Middle East, mainly through personal diplomacy. He developed cordial relations with two Israeli prime ministers, Yitzhak Rabin and Ehud Barak, with Yassir Arafat, PLO leader, and with King Hussein of Jordan.

In 1993, Arafat, Rabin, and Clinton met in Washington, D.C. The PLO vowed to abandon terrorist tactics and agreed to Israel's right to exist; in exchange, Israel agreed to withdraw from parts of the West Bank and the Gaza Strip.

In 1994, Clinton convinced Israel and Jordan to sign a peace treaty. This move ended the state of war that had existed between the two nations since 1948.

Unfortunately, this hopeful situation changed. Later in 1994, an Israeli gunman killed 29 Arabs at worship. The next year, an Israeli extremist opposed to the peace process assassinated Rabin. Efforts of his successor, Shimon Peres, were undermined by Palestinian bombings and suicide attacks. Many Israelis no longer supported efforts to find peace.

By 1998, Israel's new prime minister, Benjamin Netanyahu, and Arafat had signed a new peace plan. But final negotiations came to a halt as each leader accused the other of breaching the agreement.

In 1999, Ehud Barak, a moderate, was elected prime minister, and peace talks resumed. As Clinton was preparing to step down from office in late 2000, he once again attempted, but failed, to bring about a final settlement.

 **INFO CHECK**

1. What is the mission of the WTO? What two criticisms has it aroused in the international community?



2. What problems threatened the Russian economy after the cold war?
3. What treaties did Clinton and Yeltsin sign to stop the threat of a nuclear-weapons buildup? Were they successful? Explain.
4. How did political and ethnic factions in Yugoslavia lead to civil war in Bosnia and Kosovo?
5. What events between 1994 and 1998 ended the promising peace negotiations that were developing between Israel and the PLO?

Other International "Hot Spots"

- North Korea: In 1985, North Korea signed on to the 1968 *Nuclear Nonproliferation Treaty*, which aimed to end the stockpiling of nuclear weapons and stop their spread. In 1993, the country announced its withdrawal from the treaty. In 1994, U.S. and North Korean negotiators worked out a plan: (1) North Korea would make no purchases of nuclear weapons; (2) it would shut down existing nuclear power stations; (3) Western nations would provide it with economic aid and two nuclear power reactors capable only of generating electric power.
- India/Pakistan: In 1994, a U.S. attempt to end the nuclear arms race between India and Pakistan was rebuffed by both nations.
- Northern Ireland: In 1996, Clinton sent Senator George Mitchell to negotiate a settlement agreeable to the British and Irish governments, as well as Protestant and Catholic political factions. This first realistic attempt at a peace settlement was soon derailed by renewed IRA violence.
- China: Clinton inherited diplomatic tensions with China from the previous administration. In 1989, China brutally crushed student demonstrations in Tiananmen Square in Beijing. Bush had condemned the action but maintained relations with Chinese leaders, which angered human rights activists. China's policy on internal dissent remained unchanged. The U.S. friendship and lively trade with Taiwan was another sore spot for mainland China. In 1999, U.S.-

Nelson Mandela, just released from prison, speaking in Soweto, South Africa, 1990



Chinese relations were further strained by disclosure that China had stolen U.S. nuclear secrets. Then, the Chinese embassy in Belgrade was accidentally bombed during a NATO air attack against Serbia. While emphasizing the importance of human rights, Clinton felt that a China prospering from trade would be more likely to address the issue than one feeling shunned within the international community. In 2000, Congress approved a bill granting China **most-favored-nation status**—the right to export goods to the United States at the lowest tariff rates.

- South Africa: In 1994, Nelson Mandela, South Africa's leading champion in the antiapartheid movement, became the first democratically elected black president of the country. He had the full backing of the United States and promises of financial aid for the difficult years of development ahead. In 1999, Mandela was peacefully succeeded in office by Thabo Mbehe.

END OF THE CLINTON PRESIDENCY

In spite of Clinton's wish for a legacy of achievement and fine leadership, his accomplishments were seriously compromised by two developments that cast doubts about his personal character.

Whitewater In the 1970s, when Clinton was governor of Arkansas, he and his wife became partners in a real estate venture, the Whitewater Development Corporation, which failed. The Clinton's involvement and the government's subsequent investigation of their activities became known as the Whitewater affair.

In 1989, the backers of Whitewater went bankrupt. As close friends of the controlling partners in the land deal and the S & L that backed it, the president and his wife were subjected to questions concerning their loan and the buyout of their Whitewater investment. Investigations began in 1994 and continued into 1995–1996. They were conducted by a senatorial committee and a special prosecutor, Kenneth Starr. Associates of the Clintons were found guilty, but neither the president nor his wife was ever formally charged.

Officials on either side of the question felt, on the one hand, that there had been a misuse of power and, on the other, that baseless political enmity had shamed the Senate.

Impeachment and Acquittal In 1998, it was revealed that Clinton had pursued an improper relationship with a young female employee in the White House. He was then accused of several offenses, including lying under oath about the relationship. As a result, the House of Representative, on December 19, 1998, brought charges of impeachment against the president for **perjury** (lying under oath) and **obstruction of justice** (attempting to influence others to hide the truth). After trial in the Senate, Clinton was acquitted.

In a sense, Clinton retained some of his wished-for legacy. During the five-week trial, opinion polls showed that the public felt that his personal integrity was questionable. At the same time, they approved of his role as a president who had brought peace and prosperity, and they did not think that his offenses were serious enough to deny him his office.



INFO CHECK

1. In your opinion, which international “hot spot” most threatens global peace: North Korea, India-Pakistan, Northern Ireland, China? Explain.
2. Considering the details and outcome of the Whitewater investigation, do you think that there was a misuse of power (a) by the Clintons, (b) by the Senate and special prosecutor, or (c) by both? Explain.
3. After reviewing the impeachments and trials of Andrew Johnson (see page 194) and Bill Clinton, compare and contrast the background, charges, and outcome of each event.



CHAPTER REVIEW

Multiple-Choice Questions

1. Clinton was able to defeat Bush in the 1992 election mainly because of
 1. the U.S. failure to remove Saddam Hussein from power
 2. discontent over an economic recession
 3. the 1989 U.S. surprise invasion of Panama
 4. the signing of START II.
2. Clinton was unable to establish a national health care program because of
 1. public opposition
 2. a Supreme Court ruling that it would be unconstitutional
 3. opposition from Congress, insurance companies, and other pressure groups
 4. support from radical organizations.

Base your answer to question 3 on the following cover headline:

**THE NEW MIDDLE AGE—A
BOOMER'S GUIDE TO HEALTH,
WEALTH & HAPPINESS**

3. The headline refers to
 1. Americans born in the years following World War II
 2. the NRA
 3. people 80 years old and older
 4. children born during the 1990s.
4. Theodore Roosevelt and Clinton shared a strong record on
 1. increasing the power of the military
 2. protecting the environment

3. appointing conservative judges
4. maintaining their party's control of both the Senate and the House throughout their administrations.

Base your answer to question 5 on the cartoon on page 418.

5. According to the cartoon, how was the United States in the 1990s similar to the United States in the 1890s?
 1. There was little need for government regulation.
 2. Investment in the stock market decreased.
 3. The price of petroleum products decreased.
 4. Business consolidation was an accepted practice.

Base your answer to question 6 on the photograph on page 418.

6. Gingrich felt powerful because
 1. the Republican party had won a majority in both houses in Clinton's first midterm election
 2. he had just led the fight to impeach Clinton
 3. he had just pushed through legislation to increase the minimum wage over the president's veto
 4. Clinton had just resigned.

Base your answer to question 7 on the following quotation:

- ★ Do we know for absolutely certain that if we had every reasonable law . . . that none of these school violence things would have happened? No. But we do know one thing for certain . . . there would have been fewer kids killed in the last several years in America.

—William Jefferson Clinton

7. One of the laws referred to by Clinton is the
 1. Brady Bill
 2. Clinton Health Care Bill
 3. Contract With America
 4. NAFTA Accord.
8. The constitutional provision used to justify sending U.S. troops to Haiti, Somalia, and Bosnia in the 1990s was the power of the
 1. Congress to declare war
 2. Senate to ratify treaties
 3. president as commander in chief
 4. House of Representative to control spending.
9. During Clinton's impeachment, the House
 1. dismissed the original charges
 2. approved several articles of impeachment
 3. charged him before the Supreme Court
 4. used the proceedings against Andrew Johnson and Nixon as precedents.

Constructed-Response Questions

Base your answers to questions 1–3 on the photograph on page 421.

1. What is the job of the person in the photo?
2. Identify the trade agreement between his country and the United States.
3. How does the photo show that this agreement is in effect?

Base your answers to questions 4–6 on the photograph on page 423.

4. Describe the action taking place.
5. In what region of the world is the action taking place?
6. How does the photo show that the United States is helping to maintain world peace?

Document-Based Question

Part A: Short Answer

*Study each document and answer the question(s) following it. Then read the **Task** and write your essay. It should include references to most of the documents, along with additional information based on your knowledge of social studies.*

HISTORICAL CONTEXT: By 1992, Americans were eager for political change. Clinton, a Democrat, won the presidential election. He took bold steps to stimulate the economy. In working toward global peace, he made many friendships for the United States. Nevertheless, Clinton became the first president to be impeached by the House and tried by the Senate since 1868.

DOCUMENT 1. Refer to the table on page 416.

1. What happened to the federal debt between 1970 and 1998?

DOCUMENT 2. Reread the section “Domestic Policy, Economy” on page 415.

2. Identify *two* ways in which Clinton attempted to stimulate the economy.

DOCUMENT 3. Refer to the photograph on page 422.

3. Identify the two men and the nations they represent.
4. What agreements resulted from their meetings?

DOCUMENT 4. Refer to the cartoon on page 424.

5. Explain the cartoon character’s question as it relates to the situation in the Middle East.

Part B: Essay

TASK

- Identify and explain *two* ways in which Clinton stimulated the economy.
- Use *two* foreign affairs events to explain how Clinton attempted to protect and secure American self-interest.
- Evaluate to what extent Clinton’s domestic and foreign policies were successful.