Chapter 28

1988	Pan Am flight blown up over Scotland
1993	World Trade Center bombed
1997	Kyoto Protocol
1998	United States embassies in Kenya and Tanzania bombed
2001	Al Qaeda terrorists attack America
	Operation Enduring Freedom
	USA Patriot Act
2002	Bush identifies "axis of evil"
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September 11 and the Next American Century

Barack Obama and his family greet enthusiastic supporters at an outdoor celebration in Chicago on the night of his election as president on November 4, 2008.

Focus Questions

- What were the major policy elements of the war on terror in the wake of September 11, 2001?
- How did the war in Iraq unfold in the wake of 9/11?
- How did the war on terror affect the economy and American liberties?
- What events eroded support for President Bush's policies during his second term?
- What kinds of change did voters hope for when they elected Barack Obama?

No member of the present generation will ever forget when he or she first learned of the events of September 11, 2001. That beautiful late-summer morning began with the sun rising over the East Coast of the United States in a crystal-clear sky. But September 11 soon became one of the most tragic dates in American history.

Around 8 A.M., hijackers seized control of four jet airliners filled with passengers. They crashed two into the World Trade Center in New York City, igniting infernos that soon caused these buildings, which dominated the lower Manhattan skyline, to collapse. A third plane hit a wing of the Pentagon, the country's military headquarters, in Washington, D.C. On the fourth aircraft, passengers who had learned of these events via their cell phones overpowered the hijackers. The plane crashed in a field near Pittsburgh, killing all aboard. Counting the nineteen hijackers, the more than 200 passengers, pilots, and flight attendants, and the victims on the ground, around 3,000 people died on September 11. The victims included nearly 400 police and firefighters who had rushed to the World Trade Center in a rescue effort and perished when the "twin towers" collapsed. Most of the dead were Americans, but citizens of more than eighty other countries also lost their lives. Relatives and friends desperately seeking information about the fate of those lost in the attacks printed thousands of "missing" posters. These remained in public places in New York and Washington for weeks, grim reminders of the lives extinguished on September 11.

The attack dealt New York City and the country as a whole a severe blow. Immediate damage and recovery costs ran into the billions of dollars. An estimated 80,000 persons lost their jobs in the New York area. They included employees of financial firms housed in the World Trade Center, as well as waiters, retail sales clerks, and cleaning workers dismissed when business in lower Manhattan ground to a halt and tourism to the city plummeted. The loss of tax revenue plunged the city into a deep fiscal crisis. Major airlines also faced bankruptcy as Americans became afraid to fly.

The Bush administration quickly blamed Al Qaeda, a shadowy terrorist organization headed by Osama bin Laden, for the attacks. A wealthy Islamic fundamentalist from Saudi Arabia, bin Laden had joined the fight against the Soviet occupation of Afghanistan in the 1980s. He had developed a relationship with the Central Intelligence Agency and received American funds to help build his mountain bases. But after the Gulf War of 1991, his anger increasingly turned against the United States. Bin Laden was especially outraged by the presence of American military bases in Saudi Arabia and by American support for Israel in its ongoing conflict with the Palestinians. More generally, bin Laden and his followers saw the United States, with its religious pluralism, consumer culture, and open sexual mores, as the antithesis of the rigid values in which they

believed. He feared that American influence was corrupting Saudi Arabia, Islam's spiritual home, and helping to keep the Saudi royal family, which failed to oppose this development, in power. But if Al Qaeda believed in traditional Islamic values, it also acted much like a modern transnational organization, taking full advantage of globalization. The terrorists moved freely across national borders, financed themselves through international capital flows, and communicated via e-mail and the Internet.

Terrorism—the targeting of civilian populations by violent organizations who hope to spread fear for a political purpose—has a long history, including in the United States. During the Reconstruction era after the Civil War, the Ku Klux Klan and similar groups launched a reign of terror that led to the deaths of thousands of American citizens, most of them newly emancipated slaves. Between the assassination of President William McKinley in 1901 and the Wall Street bombing of 1920, anarchists committed numerous acts of violence. Antigovernment extremist Timothy McVeigh killed 168 persons when he exploded a bomb at a federal office building in Oklahoma City in 1995.

In the last three decades of the twentieth century, terrorist groups who held the United States and other Western countries responsible for the plight of the Palestinians had engaged in hijackings and murders. In October 1985, a group of Palestinians seized control of the *Achille Lauro*, an Italian cruise ship, and killed an American Jewish passenger. In 1988, a bomb planted by operatives based in Libya destroyed a Pan American flight over Scotland, killing all 259 persons on board. After the Gulf War, Osama bin Laden declared "war" on the United States. Terrorists associated with Al Qaeda exploded a truck-bomb at the World Trade Center in 1993, killing six persons, and set off blasts in 1998 at American

The twin towers of the World Trade Center after being struck by hijacked airplanes on September 11, 2001. Shortly after this photograph was taken, the towers collapsed.

A bystander gazes at some of the missing posters with photographs of those who died on September 11.

In the years following September 11, 2001, fear remained a prominent feature of American life. Authorities urged Americans to monitor each other's activities. This sign, widely displayed on subway and railroad cars, advised New Yorkers, "If you see something, say something." As the sign notes, 1,944 reports of suspicious behavior were made to the police in 2007. These reports included Muslims seen counting in the subway (they turned out to be men counting prayers with the equivalent of rosary beads) and individuals taking pictures of railroad tracks. The 1,944 reports resulted in eighteen arrests. None involved a terrorist plot, though they did include persons selling false driver's licenses and dealing illegally in fireworks.

embassies in Kenya and Tanzania, in which more than 200 persons, mostly African embassy workers, died. Thus, a rising terrorist threat was visible before September 11. Nonetheless, the attack came as a complete surprise. With the end of the Cold War in 1991, most Americans felt more secure, especially within their own borders, than they had for decades.

September 11 enveloped the country in a cloud of fear. The sense of being under assault was heightened in the following weeks, when unknown persons sent letters to prominent politicians and television journalists, containing spores that cause the deadly disease anthrax. Five individuals—postal workers and others who handled the letters—died. In the months that followed, as the government periodically issued "alerts" concerning possible new attacks, national security remained at the forefront of Americans' consciousness, and fear of terrorism powerfully affected their daily lives.

In the immediate aftermath of September 11, the Bush administration announced a "war on terrorism." Over the next two years, the United States embarked on wars in Afghanistan and Iraq, the second with very limited international support. It created a new Department of Homeland Security to coordinate efforts to improve security at home, and it imposed severe limits on the civil liberties of those suspected of a connection with terrorism and, more generally, on immigrants from the Middle East.

The attacks of September 11, 2001, gave new prominence to ideas deeply embedded in the American past—that freedom was the central quality of American life, and that the United States had a mission to spread freedom throughout the world and to fight those it saw as freedom's enemies. The attacks and events that followed also lent new urgency to questions that had recurred many times in American history: Should the United States act in the world as a republic or an empire? What is the proper balance between liberty and security? Who deserves the full enjoyment of American freedom? None had an easy answer.

THE WAR ON TERRORISM

BUSH BEFORE SEPTEMBER 11

Before becoming president, George W. Bush had been an executive in the oil industry and had served as governor of Texas. He had worked to dissociate the Republican Party from the harsh anti-immigrant rhetoric of the

mid-1990s and had proven himself an effective proponent of what he called "compassionate conservatism." Because of his narrow margin of victory in the election of 2000, he came into office without a broad popular mandate. He had received fewer votes than his opponent, Al Gore, and his party commanded only tiny majorities in the House of Representatives and Senate. Nonetheless, from the outset Bush pursued a strongly conservative agenda. In 2001, he persuaded Congress to enact the largest tax cut in American history. With the economy slowing, he promoted the plan as a way of stimulating renewed growth. In keeping with the "supply-side" economic outlook embraced twenty years earlier by Ronald Reagan, most of the tax cuts were directed toward the wealthiest Americans, on the assumption that they would invest the money they saved in taxes in economically productive activities.

Bush also proposed changes in environmental policies, including opening Alaska's Arctic National Wildlife Refuge to drilling for oil and allowing timber companies to operate in national forests, claiming that this would reduce forest fires. But soon after the passage of the tax bill, Senator Jim Jeffords of Vermont, a moderate Republican, abandoned the party and declared himself an independent. His action gave Democrats a one-vote margin in the Senate and made it difficult for Bush to achieve further legislative victories.

BUSH AND THE WORLD

In foreign policy, Bush emphasized American freedom of action, unrestrained by international treaties and institutions. During the 2000 campaign, he had criticized the Clinton administration's penchant for "nation-building"—American assistance in creating stable governments in chaotic parts of the world. Once in office, Bush announced plans to push ahead with a national missile defense system (another inheritance from the Reagan era) even though this required American withdrawal from the Anti–Ballistic Missile Treaty of 1972, which barred the deployment of such systems. He repudiated a treaty establishing an International Criminal Court to try violators of human rights, fearing that it would assert its jurisdiction over Americans. Critics charged that Bush was resuming the tradition of American isolationism, which had been abandoned after World War II.

To great controversy, the Bush administration announced that it would not abide by the Kyoto Protocol of 1997, which sought to combat global warming—a slow rise in the earth's temperature that scientists warned could have disastrous effects on the world's climate. Global warming is caused when gases released by burning fossil fuels such as coal and oil remain in the upper atmosphere, trapping heat reflected from the earth. Evidence of this development first surfaced in the 1990s, when scientists studying layers of ice in Greenland concluded that the earth's temperature had risen significantly during the past century. Further investigations revealed that areas of the Antarctic once under ice had become covered by grass, and that glaciers across the globe are retreating.

Today, most scientists consider global warming a serious situation. Climate change threatens to disrupt long-established patterns of agriculture, and the melting of glaciers and the polar ice caps because of rising temperatures may raise ocean levels and flood coastal cities.

By the time Bush took office, some 180 nations, including the United States, had agreed to accept the goals set in the Kyoto Protocol for reducing the output of greenhouse gases from fossil fuels. Since the United States burns far more fossil fuel than any other nation, Bush's repudiation of the treaty, on the grounds that it would weaken the American economy, infuriated much of the world, as well as environmentalists at home.

"THEY HATE FREEDOM"

September 11 transformed the international situation, the domestic political environment, and the Bush presidency. An outpouring of popular patriotism followed the attacks, all the more impressive because it was spontaneous, not orchestrated by the government or private organizations. Throughout the country, people demonstrated their sense of resolve and their sympathy for the victims by displaying the American flag. Public trust in government rose dramatically, and public servants like firemen and policemen became national heroes. After two decades in which the dominant language of American politics centered on deregulation and individualism, the country experienced a renewed feeling of common social purpose. Americans of all backgrounds shared the sense of having lived through a traumatic experience.

The Bush administration benefited from this patriotism and identification with government. The president's popularity soared. As in other crises, Americans looked to the federal government, and especially the president, for reassurance, leadership, and decisive action. Bush seized the opportunity to give his administration a new direction and purpose. Like presidents before him, he made freedom the rallying cry for a nation at war.

On September 20, 2001, Bush addressed a joint session of Congress and a national television audience. His speech echoed the words of FDR, Truman, and Reagan: "Freedom and fear are at war. The advance of human freedom . . . now depends on us." The country's antagonists, Bush went on, "hate our freedoms, our freedom of religion, our freedom of speech, our

This photograph of three emergency-response workers at the World Trade Center site suggests that the composition of the construction industry labor force had become more diverse as a result of the civil rights movement.

A homemade float in a July 4, 2002, parade in Amherst, Massachusetts, illustrates how the "twin towers" had become a symbol of American patriotism.

freedom to assemble and disagree with each other." In later speeches, he repeated this theme. Why did terrorists attack the United States, the president repeatedly asked. His answer: "Because we love freedom, that's why. And they hate freedom."

THE BUSH DOCTRINE

Bush's speech announced a new foreign policy principle, which quickly became known as the Bush Doctrine. The United States would launch a war on terrorism. Unlike previous wars, this one had a vaguely defined enemy—terrorist groups around the world that might threaten the United States or its allies—and no predictable timetable for victory. The American administration would make no distinction between terrorists and the governments that harbored them, and it would recognize no middle ground in the new war: "Either you are with us, or you are with the terrorists." Bush demanded that Afghanistan, ruled by a group of Islamic fundamentalists called the Taliban, surrender Osama bin Laden, who had established a base in the country. When the Taliban refused, the United States on October 7, 2001, launched air strikes against its strongholds.

Bush gave the war in Afghanistan the name "Enduring Freedom." By the end of the year, the combination of American bombing and ground combat by the Northern Alliance (Afghans who had been fighting the Taliban for years) had driven the regime from power. A new government, friendly to and dependent on the United States, took its place. It repealed Taliban laws denying women the right to attend school and banning movies, music, and other expressions of Western culture but found it difficult to establish full control over the country. Fewer than 100 Americans died in the war, while Afghan military and civilian casualties numbered in the thousands. But bin Laden had not been found, and many Taliban supporters continued to pose a threat to the new government's stability. Indeed, by early 2007, the Taliban had reasserted their power in some parts of Afghanistan, and no end was in sight to the deployment of American troops there.

Supporters of the Bush administration who turned out in Washington, D.C., late in 2001 to confront demonstrators opposed to the war in Afghanistan.

THE "AXIS OF EVIL"

Like the surprise attack on Pearl Harbor in 1941, September 11 not only plunged the United States into war but also transformed American foreign policy, inspiring a determination to reshape the world in terms of American ideals and interests. Remarkable changes quickly followed the assault on Afghanistan. To facilitate further military action in the Middle East, the United States established military bases in Central Asia, including former republics of the Soviet Union like Kyrgyzstan, Uzbekistan, and Tajikistan. Such an action would have been inconceivable before the end of the Cold War. The administration sent troops to the Philippines to assist that government in combating an Islamic insurgency, and it announced plans to establish a greater military presence in Africa. It solidified its ties with the governments of Pakistan and Indonesia, which confronted opposition from Islamic fundamentalists.

The toppling of the Taliban, Bush repeatedly insisted, marked only the beginning of the war on terrorism. In his State of the Union address of January 2002, the president accused Iraq, Iran, and North Korea of harboring terrorists and developing "weapons of mass destruction"—nuclear, chemical, and biological—that posed a potential threat to the United States. He called the three countries an "axis of evil," even though no evidence connected them with the attacks of September 11 and they had never cooperated with one another (Iraq and Iran, in fact, had fought a long and bloody war in the 1980s).

THE NATIONAL SECURITY STRATEGY

In September 2002, one year after the September 11 attacks, the Bush administration released a document called the National Security Strategy. Like NSC-68 of 1950 (discussed in Chapter 23), the National Security Strategy outlined a fundamental shift in American foreign policy. And like NSC-68, it began with a discussion not of weaponry or military strategy, but of freedom.

The document defined freedom as consisting of political democracy, freedom of expression, religious toleration, free trade, and free markets. These, it proclaimed, were universal ideals, "right and true for every person, in every society." It went on to promise that the United States would "extend the benefits of freedom" by fighting not only "terrorists" but also "tyrants" around the world. Since nothing less than freedom was at stake, the document insisted that the United States must maintain an overwhelming preponderance of military power, not allowing any other country to challenge either its overall strength or its dominance in any region of the world. And to replace the Cold War doctrine of deterrence, which assumed that the certainty of retaliation would prevent attacks on the

United States and its allies, the National Security Strategy announced a new foreign policy principle—"preemptive" war. If the United States believed that a nation posed a possible future threat to its security, it had the right to attack before such a threat materialized.

AN AMERICAN EMPIRE?

The "axis of evil" speech and National Security Strategy sent shock waves around the world. In the immediate aftermath of September 11, a wave of sympathy for the United States had swept across the globe. Most of the world supported the war in Afghanistan as a legitimate response to the terrorist attacks. By late 2002, however, many persons overseas feared that the United States was claiming the right to act as a world policeman in violation of international law.

Relations between the United States and Europe, warned Ivo Daalder, a Dutch-born former official of the Clinton administration, were on a "collision course," because Washington had become "dismissive of the perspectives of others." Critics, including leaders of close American allies, wondered whether dividing the world into friends and enemies of freedom ran the danger of repeating some of the mistakes of the Cold War. Anti-Americanism in the Middle East, they argued, reached far beyond bin Laden's organization and stemmed not simply from dislike of American freedom but, rightly or wrongly, from opposition to specific American policies—toward Israel, the Palestinians, and the region's corrupt and undemocratic regimes. And like the battle against communism, the war on terrorism seemed to be leading the United States to forge closer and closer ties with repressive governments like Pakistan and the republics of Central Asia that consistently violated human rights.

Charges quickly arose that the United States was bent on establishing itself as a new global empire. Indeed, September 11 and its aftermath highlighted not only the vulnerability of the United States but also its overwhelming strength. In every index of power—military, economic, cultural—the United States far outpaced the rest of the world. It accounted for just under one-third of global economic output and more than one-third of global military spending. Its defense budget exceeded that of the next twenty powers combined. The United States maintained military bases throughout the world and deployed its navy on every ocean. It was not surprising that in such circumstances many American policymakers felt that the country had a responsibility to impose order in a dangerous world, even if this meant establishing its own rules of international conduct.

In public discussion in the United States after September 11, the word "empire," once a term of abuse, came back into widespread use. The need to "shoulder the burdens of empire" emerged as a common theme in discussions among foreign policy analysts and political commentators who embraced the new foreign policy. As we have seen, the idea of the United States as an empire has a long history, dating back to Jefferson's "empire of liberty" (see Chapter 7) and McKinley's "benevolent imperialism" (see Chapter 17). But talk of a new American empire alarmed people at home and abroad who did not desire to have the United States reconstruct the world in its own image.

VOICES OF FREEDOM

From

The National Security Strategy of the United States (September 2002)

The National Security Strategy, issued in 2002 by the Bush administration, outlined a new foreign and military policy for the United States in response to the terrorist attacks of September 11, 2001. It announced the doctrine of preemptive war—that the United States retained the right to use its military power against countries that might pose a threat in the future. But the document began with a statement of the administration's definition of freedom and its commitment to spreading freedom to the entire world.

The great struggles of the twentieth century between liberty and totalitarianism ended with a decisive victory for the forces of freedom—and a single sustainable model for national success: freedom, democracy, and free enterprise. . . . These values of freedom are right and true for every person, in every society. . . .

Today, the international community has the best chance since the rise of the nation-state in the seventeenth century to build a world where great powers compete in peace instead of continually prepare for war. . . . The United States will use this moment of opportunity to extend the benefits of freedom across the globe. We will actively work to bring the hope of democracy, development, free markets, and free trade to every corner of the world. . . .

In building a balance of power that favors freedom, the United States is guided by the conviction that all nations have important responsibilities. Nations that enjoy freedom must actively fight terror. Nations that depend on international stability must help prevent the spread of weapons of mass destruction. . . . Throughout history, freedom has been threatened by war and terror; it has been challenged by the clashing wills of powerful states and the evil designs of tyrants; and it has been tested by widespread poverty and disease. Today, humanity holds in its hands the opportunity to further freedom's triumph over all these foes. The United States welcomes our opportunity to lead in this great mission.

From President Barack Obama,
Speech to the Islamic World (2009)

In June 2009, President Obama traveled to Egypt to deliver a speech aimed at repairing American relations with the Islamic world, severely damaged by the war in Iraq and the sense that many Americans identified all Muslims with the actions of a few terrorists. Entitled "A New Beginning," it acknowledged past American misdeeds and promised to respect Islamic traditions and values rather than trying to impose American ideas on the world's more than 1 billion Muslims.

I have come here to seek a new beginning between the United States and Muslims around the world; one based upon mutual interest and mutual respect. . . . I consider it part of my responsibility as President of the United States to fight against negative stereotypes of Islam wherever they appear. But that same principle must apply to Muslim perceptions of America. Just as Muslims do not fit a crude stereotype, America is not the crude stereotype of a self-interested empire. The United States has been one of the greatest sources of progress that the world has ever known. . . . We were founded upon the ideal that all are created equal, and we have shed blood and struggled for centuries to give meaning to those words—within our borders, and around the world. . . . Moreover, freedom in America is indivisible from the freedom to practice one's religion. That is why there is a mosque in every state of our union, and over 1,200 mosques within our borders. . . . America is not—and never will be—at war with Islam.

Let me also address the issue of Iraq. Unlike Afghanistan, Iraq was a war of choice that provoked strong differences in my country and around the world. Although I believe that the Iraqi people are ultimately better off without the tyranny of Saddam Hussein, I also believe that events in Iraq have reminded America of the need to use diplomacy and build international consensus to resolve our problems whenever possible. . . . And finally, just as America can never tolerate violence by extremists, we must never alter our principles. 9/11 was an enormous trauma to our country. The fear and anger that it provoked was understandable, but in some cases, it led us to act contrary to our ideals. We are taking concrete actions to change course. I have unequivocally prohibited the use of torture by the United States, and I have ordered the prison at Guantanamo Bay closed by early next year. . . .

Let me be clear: no system of government can or should be imposed upon one nation by any other. That does not lessen my commitment, however, to governments that reflect the will of the people. Each nation gives life to this principle in its own way, grounded in the traditions of its own people. America does not presume to know what is best for everyone.

QUESTIONS:

1. How does the National Security Strategy define the global mission of the United States?
2. How does Obama hope to change relations between the United States and Islamic countries?
3. In what ways is Obama's speech a repudiation of the assumptions of the National Security Strategy?

CONFRONTING IRAQ

These tensions became starkly evident in the Bush administration's next initiative. The Iraqi dictatorship of Saddam Hussein had survived its defeat in the Gulf War of 1991. Hussein's opponents charged that he had flouted United Nations resolutions barring the regime from developing new weapons. During the Clinton administration, the United States had occasionally bombed Iraqi military sites in retaliation for Hussein's lack of cooperation with UN weapons inspectors.

From the outset of the Bush administration, a group of conservative policymakers including Vice President Dick Cheney, Secretary of Defense Donald Rumsfeld, and Deputy Defense Secretary Paul D. Wolfowitz were determined to oust Hussein from power. They developed a military strategy to accomplish this—massive initial air strikes followed by invasion by a relatively small number of troops. They insisted that the oppressed Iraqi people would welcome an American army as liberators and quickly establish a democratic government, allowing for the early departure of American soldiers. This group seized on the opportunity presented by the attacks of September 11 to press their case, and President Bush adopted their outlook. Secretary of State Colin Powell, who believed the conquest and stabilization of Iraq would require hundreds of thousands of American soldiers and should not be undertaken without the support of America's allies, found himself marginalized in the administration.

Even though Hussein was not an Islamic fundamentalist, and no known evidence linked him to the terrorist attacks of September 11, the Bush administration in 2002 announced a goal of "regime change" in Iraq. Hussein, administration spokesmen insisted, must be ousted from power because he had developed an arsenal of chemical and bacterial "weapons of mass destruction" and was seeking to acquire nuclear arms. American newspaper and television journalists repeated these claims with almost no independent investigation. The UN Security Council agreed to step up weapons inspections, but the Bush administration soon declared that inspectors could never uncover Hussein's military capabilities. Early in 2003, despite his original misgivings, Secretary of State Powell delivered a speech before the UN outlining the administration's case. He claimed that Hussein possessed a mobile chemical weapons laboratory, had hidden weapons of mass destruction in his many palaces, and was seeking to acquire uranium in Africa to build nuclear weapons. (Every one of these assertions later turned out to be false.) Shortly after Powell's address, the president announced his intention to go to war with or without the approval of the United Nations. Congress passed a resolution authorizing the president to use force if he deemed it necessary.

Steve Benson's 2003 cartoon, which alters a renowned World War II photograph of soldiers raising an American flag, illustrates widespread skepticism about American motivations in the Iraq War.

THE IRAQ WAR

The decision to go to war split the Western alliance and inspired a massive antiwar movement throughout the

world. In February 2003, between 10 million and 15 million people across the globe demonstrated against the impending war. There were large-scale protests in the United States, which brought together veterans of the antiwar movement during the Vietnam era and a diverse group of young activists united in the belief that launching a war against a nation because it might pose a security threat in the future violated international law and the UN Charter.

Foreign policy "realists," including members of previous Republican administrations like Brent Scowcroft, the national security adviser under the first President Bush, warned that the administration's preoccupation with Iraq deflected attention from its real foe, Al Qaeda, which remained capable of launching terrorist attacks. They insisted that the United States could not unilaterally transform the Middle East into a bastion of democracy, as the administration claimed was its long-term aim.

Both traditional foes of the United States like Russia and China, and traditional allies like Germany and France, refused to support a "preemptive" strike against Iraq. Many Americans resented international criticism. Some restaurants stopped selling French wines, and the Senate dining room renamed french fries as "freedom fries," recalling the rechristening of items with German names during World War I.

Unable to obtain approval from the United Nations for attacking Iraq, the United States went to war anyway in March 2003, with Great Britain as its sole significant ally. President Bush called the war "Operation Iraqi Freedom." Its purpose, he declared, was to "defend our freedom" and "bring freedom to others." The Hussein regime proved no match for the American armed forces, with their precision bombing, satellite-guided missiles, and well-trained soldiers. Within a month, American troops occupied Baghdad. After hiding out for several months, Hussein was captured by American forces and subsequently put on trial before an Iraqi court. Late in 2006, he was found guilty of ordering the killing of many Iraqis during his reign, and was sentenced to death and executed.

Part of the massive crowd that gathered in New York City on February 15, 2003, a day of worldwide demonstrations against the impending war against Iraq.

ANOTHER VIETNAM?

Soon after the fall of Baghdad, a triumphant President Bush appeared in an air force flight suit on the deck of an aircraft carrier beneath a banner reading "Mission Accomplished." But after the fall of Hussein, everything seemed to go wrong. Rather than parades welcoming American liberators, looting and chaos followed the fall of the Iraqi regime. With too few American troops to establish order, mobs promptly sacked libraries, museums, government offices, and businesses, and seized caches of weapons. An insurgency quickly developed that targeted American soldiers and Iraqis cooperating with them. Sectarian violence soon swept throughout Iraq, with militias of Shiite and Sunni Muslims fighting each other. (Under Hussein, Sunnis, a minority of Iraq's population, had dominated the government and army; now, the Shiite majority sought to exercise power and

U.S. PRESENCE IN THE MIDDLE EAST, 1947–2010

Since World War II, the United States has become more and more deeply involved in the affairs of the Middle East, whose countries are together the world's largest exporter of oil.

exact revenge.) Despite holding a number of elections in Iraq, the United States found it impossible to create an Iraqi government strong enough to impose order on the country. By 2006, American intelligence agencies concluded, Iraq had become what it had not been before—a haven for terrorists bent on attacking Americans.

Fewer than 200 American soldiers died in the initial phase of the Iraq War. But by the end of 2006, Iraq stood at the brink of civil war. American deaths had reached nearly 3,000, with 20,000 or more wounded. According to the estimates of U.S. and Iraqi scientists, hundreds of thousands of Iraqis, most of them civilians, had also died, and tens of thousands more had fled to neighboring countries seeking safety. Initially, the Bush administration had estimated that the war would cost $60 billion, to be paid for largely by Iraq's own oil revenues. By early 2006, expenditures had reached $200 billion and were climbing fast, and the insurgency prevented Iraq from resuming significant oil production. Some economists estimated that the Iraq War would end up costing the United States nearly $2 trillion, an almost unimaginable sum.

With no end in sight to the conflict, comparisons with the American experience in Vietnam became commonplace. Iraq and Vietnam, of course, have very different histories, cultures, and geographies. But in both wars, American policy was made by officials who had little or no knowledge of the countries to which they were sending troops and distrusted State Department experts on these regions, who tended be skeptical about the possibility of achieving quick military and long-term political success. The war's architects preferred to get their knowledge of Iraq from Saddam Hussein's exiled opponents, who exaggerated their own popularity and the degree of popular support for an American invasion. Administration officials gave little thought to postwar planning.

THE WORLD AND THE WAR

The war marked a new departure in American foreign policy. The United States had frequently intervened unilaterally in the affairs of Latin American countries. But outside the Western Hemisphere it had previously been reluctant to use force except as part of an international coalition. And while the United States had exerted enormous influence in the Middle East since World War II, never before had it occupied a nation in the center of the world's most volatile region.

Rarely in its history had the United States found itself so isolated from world public opinion. Initially, the war in Iraq proved to be popular in the United States. After all, unlike earlier wars, this one brought no calls for public sacrifice from the administration. There were no tax increases, and no reintroduction of the draft to augment the hard-pressed all-volunteer army. Many Americans believed the administration's claims that Saddam Hussein had something to do with September 11 and had stockpiled weapons of mass destruction. The realization that in fact Hussein had no such weapons discredited the administration's rationale for the war. Subsequent investigations revealed that intelligence reports at variance with administration claims had been sidetracked or ignored. With the weapons argument discredited, the Bush administration increasingly defended the war as an effort to bring freedom to the people of Iraq. This argument resonated with deeply rooted American values. But by early 2007, polls showed that a large majority of Americans considered the invasion of Iraq a mistake, and the war a lost cause.

President Bush standing on the deck of the aircraft carrier Abraham Lincoln *on May 10, 2003, announcing the end of combat operations in Iraq. A banner proclaims, "Mission Accomplished." Unfortunately, the war was not in fact over.*

Much of the outside world now viewed the United States as a superpower unwilling to abide by the rules of international law. They believed that a nation whose Declaration of Independence had proclaimed its signers' "decent respect to the opinions of mankind" had become indifferent or hostile to the views of others. As early as 2003, a survey of global opinion had found that even in western Europe, large numbers of people viewed the United States as a threat to world peace. The fact that Iraq possessed the world's second-largest reserves of oil reinforced suspicions that American motives had less to do with freedom than self-interest.

The Iraq War severely strained the United Nations and the Western alliance created in the aftermath of World War II. But whatever the outcome, for the third time in less than a century, the United States had embarked on a crusade to create a new world order.

THE AFTERMATH OF SEPTEMBER 11 AT HOME

SECURITY AND LIBERTY

Like earlier wars, the war on terrorism raised anew the problem of balancing security and liberty. In the immediate aftermath of the attacks, Congress rushed to passage the USA Patriot Act, a mammoth bill (it ran to more than 300 pages) that few members of the House or Senate had actually read. It conferred unprecedented powers on law-enforcement agencies charged with preventing the new, vaguely defined crime of "domestic terrorism," including the power to wiretap, spy on citizens, open letters, read e-mail, and obtain personal records from third parties like universities and libraries without the knowledge of a suspect. Unlike during World Wars I and II, with their campaigns of hatred against German-Americans and Japanese-Americans, the Bush administration made a point of discouraging anti-Arab and anti-Muslim sentiment. Nonetheless, at least 5,000 foreigners with Middle Eastern connections were rounded up, and more than 1,200 arrested. Many with no link to terrorism were held for months, without either a formal charge or a public notice of their fate. The administration also set up a detention camp at the U.S. naval base at Guantànamo Bay, Cuba, for persons captured in Afghanistan or otherwise accused of

terrorism. More than 700 persons, the nationals of many foreign countries, were detained there.

In November 2001, the Bush administration issued an executive order authorizing the holding of secret military tribunals for noncitizens deemed to have assisted terrorism. In such trials, traditional constitutional protections, such as the right of the accused to choose a lawyer and see all the evidence, would not apply. A few months later, the Justice Department declared that American citizens could be held indefinitely without charge and not allowed to see a lawyer, if the government declared them to be "enemy combatants." The president's press secretary, Ari Fleischer, warned Americans to "watch what they say," and Attorney General John Ashcroft declared that criticism of administration policies aided the country's terrorist enemies.

THE POWER OF THE PRESIDENT

In the new atmosphere of heightened security, numerous court orders and regulations of the 1970s, inspired by abuses of the CIA, FBI, and local police forces, were rescinded, allowing these agencies to resume surveillance of Americans without evidence that a crime had been committed. Some of these measures were authorized by Congress, but the president implemented many of them unilaterally, claiming the authority to ignore laws that restricted his power as commander-in-chief in wartime. Thus, soon after September 11, President Bush authorized the National Security Agency (NSA) to eavesdrop on Americans' telephone conversations without a court warrant, a clear violation of a law limiting the NSA to foreign intelligence gathering.

Two centuries earlier, in the 1790s, James Madison had predicted that for many years to come, the danger to individual liberty would lie in abuse of power by Congress. This is why the Bill of Rights barred Congress, not the president or the states, from abridging civil liberties. But, Madison continued, in the long run, the president might pose the greatest danger, especially in time of war. "In war," he wrote, the discretionary power of the Executive is extended." No nation, Madison believed, could preserve its freedom "in the midst of continual warfare." Madison's remarkable warning about how presidents might seize the power afforded them in war to limit freedom has been borne out at many points in American history–from Lincoln's suspension of the writ of habeas corpus to Wilson's suppression of free speech and Franklin D. Roosevelt's internment of Japanese-Americans. The administration of George W. Bush was no exception. But no other president had ever made so sweeping an assertion of the power to violate both long-standing constitutional principles, such as the right to trial by jury, and any law he chooses during wartime.

The majority of Americans seemed willing to accept the administration's contention that restraints on time-honored liberties were necessary to fight terrorism, especially since these restraints applied primarily to Muslims and immigrants from the Middle East. Others recalled previous times when wars produced limitations on civil liberties and public officials equated political dissent with lack of patriotism: the Alien and Sedition Acts during the "quasi-war" with France in 1798, the suspension of the writ of habeas corpus during the Civil War, the severe repression of free speech and persecution of German-Americans during World War I, Japanese-American internment in World War II, and McCarthyism during the Cold War. These episodes underscored the fragility of principles most Americans have learned to take for

granted—civil liberties and the ideal of equality before the law, regardless of race and ethnicity. The debate over liberty and security seemed certain to last as long as the war on terrorism itself.

THE TORTURE CONTROVERSY

Officials of the Bush administration also insisted in the aftermath of September 11 that the United States need not be bound by international law in pursuing the war on terrorism. They were especially eager to sidestep the Geneva Conventions and the International Convention Against Torture, which regulate the treatment of prisoners of war and prohibit torture and other forms of physical and mental coercion. In January 2002, the Justice Department produced a memorandum stating that these rules did not apply to captured members of Al Qaeda as they were "unlawful combatants," not members of regularly constituted armies. White House counsel Alberto Gonzales, who later became attorney general, advised the president that the Geneva Accords were "quaint" and "obsolete" in this "new kind of war." In February 2003, President Bush issued a directive that denied Al Qaeda and Taliban prisoners the Geneva protections.

Amid strong protests from Secretary of State Powell and senior military officers who feared that the new policy would encourage the retaliatory mistreatment of American prisoners of war, in April 2003 the president prohibited the use of torture except where special permission had been granted. Nonetheless, the Defense Department approved methods of interrogation that most observers considered torture. In addition, the CIA set up a series of jails in foreign countries outside the traditional chain of military command and took part in the "rendition" of suspects—that is, kidnapping them and spiriting them to prisons in Egypt, Yemen, Syria, and former communist states of eastern Europe, where torture is practiced.

In this atmosphere and lacking clear rules of behavior, some military personnel—in Afghanistan, at Abu Ghraib prison in Iraq, and at Guantànamo—beat prisoners who were being held for interrogation, subjected them to electric shocks, let them be attacked by dogs, and forced them to strip naked and lie atop other prisoners. Some prisoners in U.S. custody died from their maltreatment. As it turned out, the military guards and interrogators who committed these acts had not been adequately trained for their missions. Indeed, some took photographs of the maltreatment of prisoners and circulated them by e-mail. Inevitably, the photos became public. Their exposure around the world in newspapers, on television, and on the Internet undermined the reputation of the United States as a country that adheres to standards of civilized behavior and the rule of law.

The military investigated prisoner abuse but punished only a few low-level

Based on an infamous photograph, circulated around the world, of an Iraqi prisoner abused while in American custody, this 2004 cartoon suggests how such mistreatment damaged the image of the United States.

VISIONS OF FREEDOM

Freedom: Certain Restrictions Apply. *This work by the artist George Mill includes language that parodies the small print in advertisements and consumer warranties. The disclaimer reads: "Certain restrictions apply. Subject to change without notice. The right of freedom is made available 'as is' and without warranty of any kind." This was part of a 2008 exhibit in which artists produced works on the theme "Thoughts on Freedom." Many of the works suggested that the policies of the Bush administration had made Americans' freedom more precarious.*

QUESTIONS

1. What "restrictions" on freedom do you think the artist has in mind?
2. What is the purpose of juxtaposing the large word "FREEDOM" with the small print?

soldiers, not the commanders who were supposed to be in charge of these prisons and had tolerated or failed to halt the abuse. After much debate, Congress in 2005 inserted in the Defense Appropriations Act a measure sponsored by Senator John McCain of Arizona (a former prisoner of war in Vietnam) banning the use of torture. President Bush signed the bill but issued a "signing statement" reaffirming his right as commander-in-chief to set rules for the military by himself.

Late in 2008 and early the following year, previously secret government documents were released demonstrating that torture was the result not of missteps by a few "bad apples," as the administration had claimed, but decisions at the highest levels of government. Secretary of Defense Donald Rumsfeld, Attorney General Alberto Gonzales, and other officials had authorized the torture of persons captured in the war on terrorism, over the objections of many in the military. Ironically, some of the techniques used, especially water-boarding (simulated drowning), had been employed by the government during the Korean War to train soldiers how to withstand torture if captured by the enemy. No one in the administration seemed concerned about what these practices might do to the reputation of the United States as a law-abiding nation. The revelations left a difficult question for the administration of Barack Obama—whether or not to prosecute officials and interrogators who had violated international treaties and American laws.

THE ECONOMY UNDER BUSH

In the congressional elections of 2002, Bush took full advantage of his post–September 11 popularity, campaigning actively for Republican candidates. His intervention was credited with helping his party increase its small majorities in the House and Senate, in defiance of the traditional pattern in which the president's party loses seats in midterm elections. Continuing chaos in Iraq began to undermine support for Bush's foreign policy. But the main threat to the president's reelection appeared to be the condition of the American economy. During 2001, the economy slipped into a recession—that is, it contracted rather than grew. Growth resumed at the end of the year, but, with businesses reluctant to make new investments after the overexpansion of the 1990s, it failed to generate new jobs.

THE "JOBLESS" RECOVERY

Talk of "economic pain" reappeared in public discussions. The sectors that had expanded the most in the previous decade contracted rapidly. The computer industry slashed more than 40 percent of its jobs during the first two years of the Bush presidency. Thanks to the Internet, jobs as computer programmers and other highly skilled technology positions could be shifted to India, which had a large number of well-educated persons willing to work for far less than their American counterparts. Employment in the media, advertising, and telecommunications industries also fell.

The difficulties of these sectors received much publicity. But in fact, 90 percent of the jobs lost during the recession of 2001–2002 were in manufacturing. Despite the renewed spirit of patriotism, deindustrialization continued. Textile firms closed southern plants and shifted production to

cheap-labor factories in China and India. Maytag, a manufacturer of washing machines, refrigerators, and other home appliances, announced plans to close its factory in Galesburg, Illinois, where wages averaged fifteen dollars per hour, to open a new one in Mexico, where workers earned less than one-seventh that amount.

Even after economic recovery began, the problems of traditional industries continued. Employment in steel—520,000 in 1970—had dropped to 120,000 by 2004. Late in 2005, facing declining profits and sales, General Motors, which once had 600,000 employees, announced plans to reduce its American workforce to 86,000. Major companies also moved to eliminate the remnants of the post–World War II "social contract," in which industries provided manufacturing workers with both high-paying jobs and the promise that they would be provided for in old age. Many eliminated or sharply reduced pensions and health benefits for retired workers. Between 1988 and 2004, the number of private businesses with pension plans fell by two-thirds.

Rapid job creation during the 1990s had benefited those at the bottom of the economic scale, and especially racial minorities. Now, they suffered the most from the economy's continued shedding of jobs in the early 2000s. For example, the black and Latino unemployment rates stood at double that for whites. Indeed, Bush became the first president since Herbert Hoover to see the economy lose jobs over the course of a four-year term.

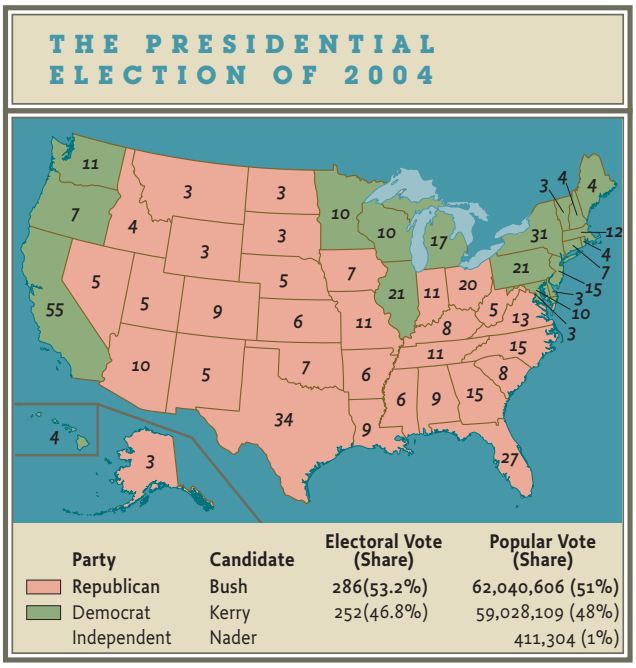
The Bush administration responded to economic difficulties by supporting the Federal Reserve Board's policy of reducing interest rates and by proposing another round of tax cuts. In 2003, the president signed into law a $320-billion tax reduction, one of the largest in American history. In accordance with supply-side theory, the cuts were again geared to reducing the tax burden on wealthy individuals and corporations. Left to future generations were the questions of how to deal with a rapidly mounting federal deficit (which exceeded $400 billion, a record, in 2004) and how to pay for the obligations of the federal government and the needs of American society.

The economy grew at the healthy rate of 4.2 percent in 2004. But job creation proceeded more slowly than during previous recoveries. Because of the continuing decline in union membership (which fell to 8 percent of private sector employees in 2006), the failure of Congress to raise the minimum wage (which between 1997 and 2006 remained at $5.15 per hour, thereby steadily falling in real value), the continuing shift of higher-paying manufacturing jobs overseas, and the skewing of the tax cuts toward the most wealthy Americans, economic inequality continued to increase. The real income of average American families fell slightly despite the economic recovery. The number of Americans without health insurance continued its upward climb, reaching 16 percent of the population by 2005. Nearly all the benefits of growth went to the top 5 percent of the population.

THE WINDS OF CHANGE

THE 2004 ELECTION

With Bush's popularity sliding because of the war in Iraq and a widespread sense that many Americans were not benefiting from economic growth, Democrats in 2004 sensed a golden opportunity to retake the White House. They nominated as their candidate John Kerry, a senator



from Massachusetts and the first Catholic to run for president since John F. Kennedy in 1960. A decorated combat veteran in Vietnam, Kerry had joined the antiwar movement after leaving the army. The party hoped that Kerry's military experience would insulate him from Republican charges that Democrats were too weak-willed to be trusted to protect the United States from further terrorist attacks, while his antiwar credentials in Vietnam would appeal to voters opposed to the invasion of Iraq.

Kerry proved a surprisingly ineffective candidate. An aloof man who lacked the common touch, he failed to generate the same degree of enthusiasm among his supporters as Bush did among his. Kerry's inability to explain why he voted in favor of the Iraq War in the Senate only to denounce it later as a major mistake enabled Republicans to portray him as lacking the kind of resolution necessary in dangerous times. Meanwhile, Karl Rove, Bush's chief political adviser, worked assiduously to mobilize the Republican Party's conservative base by having Republicans stress the president's stance on cultural issues—opposition to the extension of the right to marry to homosexuals (which the Supreme Court of Massachusetts had ruled must receive legal recognition in that state), opposition to abortion rights, and so on.

Throughout the campaign, polls predicted a very close election. Bush won a narrow victory, with a margin of 2 percent of the popular vote and thirty-four electoral votes. The results revealed a remarkable electoral stability. Both sides had spent tens of millions of dollars in advertising and had mobilized new voters—nearly 20 million since 2000. But in the end, only three states voted differently than four years earlier—New Hampshire, which Kerry carried, and Iowa and New Mexico, which swung to Bush.

Post-election polls initially suggested that "moral values" held the key to the election outcome, leading some commentators to urge Democrats to make peace with the Religious Right. Most evangelical Christians, indeed, voted for Bush. But the "moral values" category was a grab-bag indicating everything from hostility to abortion rights to the desire for a leader who says what he means and apparently means what he says. More important to the outcome were the attacks of September 11 and the sense of being engaged in a worldwide war on terror. No American president who has sought reelection during wartime has ever been defeated (although Harry S. Truman and Lyndon Johnson declined to run again during unpopular wars). The Bush campaign consistently and successfully appealed to fear, with continuous reminders of September 11 and warnings of future attacks.

Republicans also slightly increased their majorities in the House of Representatives and the Senate. But the most striking feature of the congressional races was that by the careful drawing of district lines in state legislatures, both parties had managed to make a majority of the seats "safe" ones. Only three incumbents were defeated for reelection, and nearly all the House seats were won by a margin of 10 percent or more. In the old days, one commentator quipped, voters chose their political leaders. Today, politicians choose their voters.

BUSH'S SECOND TERM

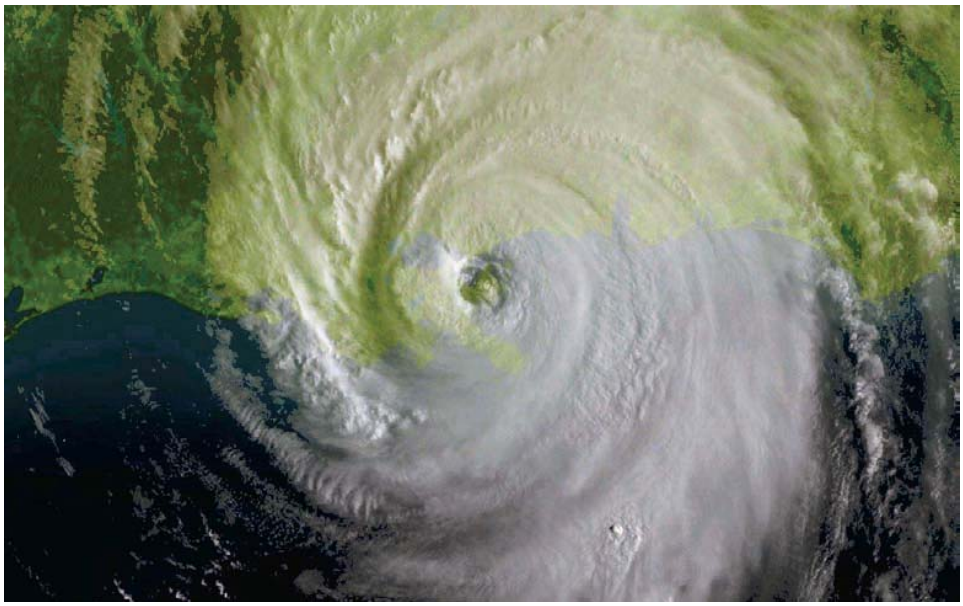
In his second inaugural address, in January 2005, Bush outlined a new American goal—"ending tyranny in the world." Striking a more conciliatory tone than during his first administration, he promised that the United States would not try to impose "our style of government" on others and that it would in the future seek the advice of allies. He said nothing specific about Iraq but tried to shore up falling support for the war by invoking the ideal of freedom: "The survival of liberty in our land increasingly depends on the success of liberty in other lands." In his first inaugural, in January 2001, Bush had used the words "freedom," "free," or "liberty" seven times. In his second, they appeared forty-nine times. Again and again, Bush insisted that the United States stands for the worldwide triumph of freedom.

Republicans were overjoyed by Bush's electoral triumph. "Now comes the revolution," declared one conservative leader. But the ongoing chaos in Iraq, coupled with a spate of corruption scandals surrounding Republicans in Congress and the White House, eroded Bush's standing. Vice President Cheney's chief of staff was convicted of perjury in connection with an investigation of the illegal "leak" to the press of the name of a CIA operative whose husband had criticized the manipulation of intelligence before the invasion of Iraq. He was the first White House official to be indicted while holding office since Orville Babcock, Grant's chief of staff, in 1875. A Texas grand jury indicted Tom DeLay, the House majority leader, for violating campaign finance laws, and Jack Abramoff, a Republican activist and lobbyist, pleaded guilty to defrauding his clients and bribing public officials. A "culture of corruption," Democrats charged, had overtaken the nation's capital.

Bush's popularity continued to decline. At one point in 2006, his approval rating fell to 31 percent. Bush did get Congress in 2005 to extend the life of the Patriot Act, with a few additional safeguards for civil liberties. But otherwise, the first two years of his second term were devoid of significant legislative achievement. Bush launched a highly publicized campaign to "reform" the Social Security system, the most enduring and popular legacy of the New Deal, by allowing workers to set up private retirement accounts—a step toward eliminating the entire system, Democrats charged—but it got nowhere. Congress rejected the president's proposal to open the Arctic National Wildlife Refuge to oil drilling, and it refused to eliminate the estate tax, a tax on property owned at a person's death, which affected only the richest 1 percent of Americans.

HURRICANE KATRINA

A further blow to the Bush administration's standing came in August 2005, when Hurricane Katrina slammed ashore near New Orleans. Situated below sea level between the Mississippi River and Lake Pontchartrain, New Orleans has always been vulnerable to flooding. For years, scientists had predicted a catastrophe if a hurricane hit the city. But requests to strengthen its levee system had been ignored by the federal government. When the storm hit on August 29 the levees broke, and nearly the entire city, with a population of half a million, was inundated. Nearby areas of the Louisiana and Mississippi Gulf Coast were also hard hit.



A satellite photograph superimposed on a map of the Gulf Coast shows the immensity of Hurricane Katrina as its eye moved over New Orleans.

The natural disaster quickly became a man-made one, with ineptitude evident from local government to the White House. The mayor of New Orleans had been slow to order an evacuation, fearing this would damage the city's tourist trade. When he finally instructed residents to leave, a day before the storm's arrival, he neglected to provide for the thousands who did not own automobiles and were too poor to find other means of transportation. In November 2002, a new Department of Homeland Security had been created, absorbing many existing intelligence agencies, including the Federal Emergency Management Agency (FEMA), which is responsible for disaster planning and relief within the United States. FEMA was headed by Michael Brown, who lacked experience in disaster management and had apparently been appointed because he was a college friend of his predecessor in the office. Although warned of impending disaster by the National Weather Service, FEMA had done almost no preparation. Vacationing in Texas, the president announced that New Orleans had "dodged the bullet" when the storm veered away from a direct hit. When he finally visited the city, he seemed unaware of the scope of devastation. If the Bush administration had prided itself on anything, it was competence in dealing with disaster. Katrina shattered that image.

THE NEW ORLEANS DISASTER

For days, vast numbers of people, most of them poor African-Americans, remained abandoned amid the floodwaters. The government was not even aware that thousands had gathered at the New Orleans Convention Center, without food, water, or shelter, until television reporters asked federal officials about their status. For days, bodies floated in the streets and people died in city hospitals and nursing homes. By the time aid began to arrive, damage stood at $80 billion, the death toll was around 1,500, and two-thirds of the city's population had been displaced. The

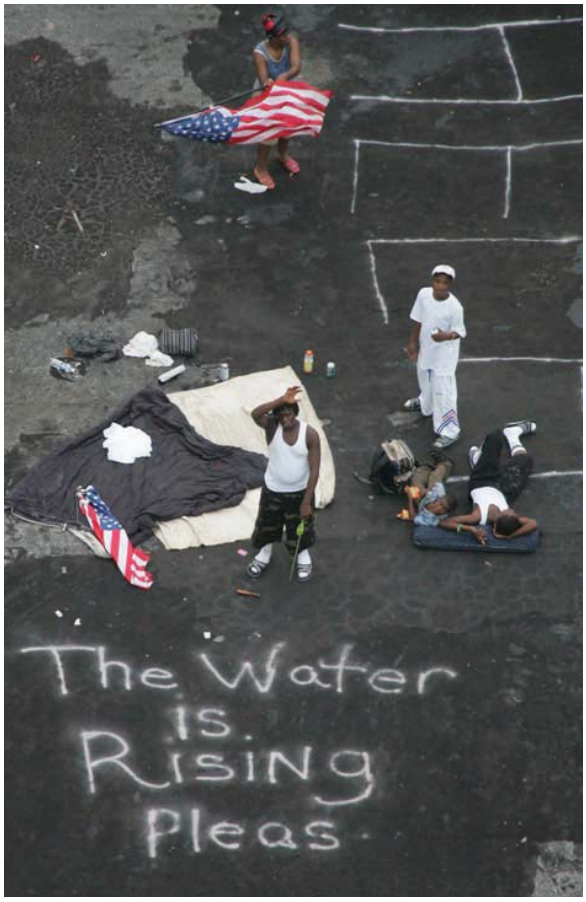
televised images of misery in the streets of New Orleans shocked the world and shamed the country. To leave the poorest behind and unhelped, one editorial writer commented, was like abandoning wounded soldiers on a battlefield.

Hurricane Katrina shone a bright light on both the heroic and the less praiseworthy sides of American life. Where government failed, individual citizens stepped into the breach. People with boats rescued countless survivors from rooftops and attics, private donations flowed in to aid the victims, and neighboring states like Texas opened their doors to thousands of refugees. Like the publication of Jacob Riis's *How the Other Half Lives* (1890) and Michael Harrington's *The Other America* (1962), the hurricane's aftermath alerted Americans to the extent of poverty in the world's richest country. Generations of state and local policies pursuing economic growth via low-wage, nonunion employment and low investment in education, health, and social welfare had produced a large impoverished population in the South. Once a racially mixed city, New Orleans was now essentially segregated, with a population two-thirds black, surrounded by mostly white suburbs. Nearly 30 percent of New Orleans's population lived in poverty, and of these, seven-eighths were black.

For a moment, people previously invisible to upper- and middle-class America appeared on television screens and magazine covers. Stung by criticism of his response to the hurricane, President Bush spoke of the need to take aggressive action against "deep, persistent poverty" whose roots lay in "a history of racial discrimination." But unwilling to raise taxes, the Republican Congress instead cut billions of dollars from Medicaid, food stamps, and other social programs to help pay for rebuilding efforts along the Gulf Coast. A year after the hurricane hit, the population of New Orleans stood at half the pre-storm total, and reconstruction had barely begun in many neighborhoods.

Hurricane Katrina had another result as well. The shutting down of oil refining capacity on the Gulf Coast led to an immediate rise in the price of oil, and thus of gasoline for American drivers. With the rapidly growing economies of China and India needing more and more oil, and with instability in the Middle East threatening to affect oil production, prices remained at historic highs throughout 2006. Despite decades of talk about the need to develop alternative energy supplies, the United States remained as dependent as ever on imported oil and extremely vulnerable to potential disruptions of oil imports. Rising prices threatened to derail the economic recovery by dampening consumer spending on other goods. They also dealt yet another blow to American automobile manufacturers, who had staked their futures on sales of light trucks and sport utility vehicles (SUVs). These vehicles generated high profits for the car companies but achieved very low gas mileage. When gas prices rose, consumers shifted their purchasing to smaller cars with better fuel efficiency, most of which were produced by Japanese and other foreign automakers.

Residents of New Orleans, stranded on a rooftop days after flood waters engulfed the city, frantically attempt to attract the attention of rescue helicopters.



THE IMMIGRATION DEBATE

In the spring of 2006, an issue as old as the American nation suddenly burst again onto the center stage of politics—immigration. As we have seen, the Hart-Celler Act of 1965 led to a radical shift in the origins of those entering the United States, and especially the rapid growth of the Hispanic population. The influx of immigrants proceeded apace during the first five years of the twenty-first century. By 2005, immigrants represented 12.4 percent of the nation's population, up from 11.2 percent in 2000. Many of these newcomers were bypassing traditional immigrant destinations and heading for areas in the Midwest, small-town New England, and the Upper South. The city with the highest rate of growth of its immigrant population from 1990 to 2005 was Nashville, Tennessee. Racial and ethnic diversity was now a fact of life in the American heartland.

Alongside legal immigrants, undocumented newcomers made their way to the United States, mostly from Mexico. At the end of 2005, it was estimated, there were 11 million illegal aliens in the United States, 7 million of them members of the workforce. Economists disagree about their impact. It seems clear that the presence of large numbers of uneducated, low-skilled workers pushes down wages at the bottom of the economic ladder, especially affecting African-Americans. On the other hand, immigrants both legal and illegal receive regular paychecks, spend money, and pay taxes. They fill jobs for which American workers seem to be unavailable because the wages are so low. It is estimated that more than one-fifth of construction workers, domestic workers, and agricultural workers are in the United States illegally.

As noted in previous chapters, Mexican immigration has long been a controversial subject, especially in the Southwest. Before 1924, there were no limits on immigration from the Western Hemisphere. During the 1930s, hundreds of thousands of Mexican-Americans were repatriated. The *bracero* program of the 1940s and 1950s brought thousands of Mexicans into the United States under labor contracts as migrant agricultural workers. Operation Wetback in 1954 sent 1 million Mexicans home. Since the rise of the Chicano movement of the late 1960s and 1970s, the Mexican-American community has generally defended the rights of undocumented workers, although some advocates have feared that the presence of illegal aliens lowers the standing—in the eyes of other Americans—of everyone of Mexican descent. Unions generally fear that such workers lower wages for all low-skilled workers and make labor organizing more difficult.

In 1986, the Reagan administration had granted amnesty—that is, the right to remain in the United States and become citizens—to 3 million illegal immigrants. During the 1990s, conservatives in states with significant populations of illegal immigrants, especially California, had called for a tough crackdown on their entry and rights within the United States. As governor of Texas, by contrast, George W. Bush had strived to win Hispanic support and downplayed the immigration issue. But in 2006, with many Americans convinced that the United States had lost control of its borders and that immigration was in part responsible for the stagnation of real wages, the House of Representatives approved a bill making it a felony to be in the country illegally and a crime to offer aid to illegal immigrants.

In April 2006, millions of people demonstrated for immigrant rights. This photograph shows part of the immense crowd in Chicago, bearing the flags of many nations.

THE IMMIGRANT RIGHTS MOVEMENT

The response was utterly unexpected: a series of massive demonstrations in the spring of 2006 by immigrants—legal and illegal—and their supporters, demanding the right to remain in the country as citizens. In cities from New York to Chicago, Los Angeles, Phoenix, and Dallas, hundreds of thousands of protesters took to the streets. Nashville experienced the largest public demonstration in its history, a march of more than 10,000 mostly Hispanic immigrants. People living at the margins of American society suddenly found their voice. "All that we want is to have a shot at the American dream," said one. Another, an Iraq War veteran who marched with his parents, who had come to the country illegally, said, "I've fought for freedom overseas. Now I'm fighting for freedom here."

At the same time, church groups used to sheltering and feeding the destitute denounced the proposed bill as akin to the Fugitive Slave Law of 1850 for making it a crime to help a suffering human being and vowed to resist it. On the other hand, many conservatives condemned the marches as "ominous" and their display of the flags of the marchers' homelands as "repellant." When the Senate passed a different immigrant bill, tightening patrols of the border but offering a route to citizenship for illegal aliens, the House refused to approve it. All Congress could agree on was a measure to build a 700-mile wall along part of the U.S.-Mexico border. In early 2007, the immigration issue was at a stalemate and its ultimate resolution impossible to predict.

THE CONSTITUTION AND LIBERTY

As in the 1980s and 1990s, conservatives proved far more successful in implementing their views in economic and foreign policy than in the ongoing culture wars. Two significant Supreme Court decisions in June

2003 revealed how the largely conservative justices had come to accept that the social revolution that began during the 1960s could not be undone.

In two cases arising from challenges to the admissions policies of the University of Michigan, the Supreme Court issued its most important rulings on affirmative action since the *Bakke* case twenty-five years earlier. A 5-4 majority upheld the right of colleges and universities to take race into account in admissions decisions. Writing for the majority, Justice Sandra Day O'Connor argued that such institutions have a legitimate interest in creating a "diverse" student body to enhance education. The Bush administration had urged the Court to reject affirmative action. But O'Connor was strongly influenced by briefs on its behalf filed by corporate executives and retired military officers. In today's world, they argued, the United States cannot compete in the global economy or maintain effective armed services without drawing its college-trained business and military leaders from a wide variety of racial and ethnic backgrounds.

In the second decision, in *Lawrence v. Texas*, a 6-3 majority declared unconstitutional a Texas law making homosexual acts a crime. Written by Justice Anthony Kennedy, the majority opinion overturned the Court's 1986 ruling in *Bowers v. Hardwick*, which had upheld a similar Georgia law. Today, Kennedy insisted, the idea of liberty includes not only "freedom of thought, belief, [and] expression" but "intimate conduct" as well. The decision was a triumph for the feminist and gay movements, which had long campaigned to extend the idea of freedom into the most personal realms of life. And it repudiated the conservative view that constitutional interpretation must rest either on the "original intent" of the founding fathers or on a narrow reading of the document's text. Instead, Kennedy reaffirmed the liberal view of the Constitution as a living document whose protections expand as society changes. "Times can blind us to certain truths," he wrote, "and later generations can see that laws once thought necessary and proper in fact serve only to oppress. As the Constitution endures, persons in every generation can invoke its principles in their own search for greater freedom."

THE COURT AND THE PRESIDENT

Nor did the Supreme Court prove receptive to President Bush's claim of authority to disregard laws and treaties and to suspend constitutional protections of individual liberties. In a series of decisions, the Court reaffirmed the rule of law both for American citizens and for foreigners held prisoner by the United States.

The first cases were decided in 2004. In *Rasul v. Bush*, the Court allowed a British citizen held at Guantànamo Bay, Cuba, to challenge his incarceration in federal court. In *Hamdi v. Rumsfeld*, it considered the lawsuit of Yasir Hamdi, an American citizen who had moved to Saudi Arabia and been captured in Afghanistan. Hamdi was imprisoned in a military jail in South Carolina without charge or the right to see a lawyer. The Court ruled that he had a right to a judicial hearing. "A state of war," wrote Sandra Day O'Connor for the 8-1 majority, "is not a blank check for the president when it comes to the rights of the nation's citizens." Even Justice Antonin Scalia, the Court's most prominent conservative, rejected the president's claim of authority to imprison a citizen at will as antithetical to "the very core of

liberty." After claiming in court that Hamdi was so dangerous that he could not even be allowed a hearing, the administration allowed him to return to Saudi Arabia on condition that he relinquish his American citizenship.

By the time the next significant case, *Hamdan v. Rumsfeld*, came before the Court in 2006, President Bush had appointed two new justices—Chief Justice John Roberts, to replace William Rehnquist, who died in 2005, and Samuel Alito Jr., who succeeded the retiring Sandra Day O'Connor. The Court was clearly becoming more conservative. But in June 2006, by a 5-3 margin (with Roberts not participating because he had ruled on the case while serving on an appeals court), the justices offered a stinging rebuke to the key presumptions of the Bush administration—that the Geneva Conventions do not apply to prisoners captured in the war on terrorism, that the president can unilaterally set up secret military tribunals in which defendants have very few if any rights, and that the Constitution does not apply at Guantànamo. Congress, the majority noted, had never authorized such tribunals, and they clearly violated the protections afforded to prisoners of war by the Geneva Conventions, which, the Court declared, was the law of the land.

Like the Nixon tapes case of 1974, the decision was a striking illustration of the separation of powers envisioned by the Constitution's framers, an affirmation that the courts have the right and responsibility to oversee actions by the president. However, it was unusual that the decision came in wartime. The Court had upheld jailings under the Sedition Act in World War I, and Japanese internment in World War II. Previously, the Court had only exerted its oversight authority once peace arrived. But Bush's claims of presidential authority had been so sweeping that a judicial reaction was all but inevitable.

As the "war on terror" entered its sixth year later in 2006, the scope of the president's power to detain and punish suspects outside of normal legal procedures remained unresolved. In September 2006, in response to the *Hamdan* decision, Congress enacted a bill authorizing the establishment of special military tribunals to try accused terrorists and giving the president the authority to jail without charge anyone he declared to be an "illegal enemy combatant." The measure authorized certain kinds of harsh treatment of prisoners, with evidence obtained during coercive interrogations usable in these new courts, and stripped detainees in military prisons of the right to challenge their detention in federal courts. Many military lawyers objected strongly to these provisions, as did other army officials, fearing that captured U.S. soldiers might be subjected to the same treatment. It remained to be seen whether the Supreme Court would allow Congress to override the Geneva Conventions and eliminate judicial oversight of the treatment of prisoners.

In June 2008, for the third time in four years, the Supreme Court rebuffed the Bush administration's strategy of denying detainees at Guantánamo Bay the normal protections guaranteed by the Constitution. Written by Justice Anthony Kennedy, the 5-4 decision in *Boumediene v. Bush* affirmed the detainees' right to challenge their detention in U.S. courts. "The laws and Constitution are designed," Kennedy wrote, "to survive, and remain in force, in extraordinary times." Security, he added, consists not simply in military might, but "in fidelity to freedom's first principles," including freedom from arbitrary arrest and the right of a person to go to court to challenge his or her imprisonment.

THE MIDTERM ELECTIONS OF 2006

With President Bush's popularity having plummeted because of the war in Iraq and the Hurricane Katrina disaster, Congress beset by scandal after scandal, and public opinion polls revealing that a majority of Americans believed the country to be "on the wrong track," Democrats expected to reap major gains in the congressional elections of 2006. They were not disappointed. Interest in the election ran high. Voter turnout in 2006 exceeded 40 percent of those eligible, the highest figure for a midterm election since 1990. In a sweeping repudiation of the administration, voters gave Democrats control of both houses of Congress for the first time since the Republican sweep of 1994. In January 2007, Democrat Nancy Pelosi of California became the first female Speaker of the House in American history. No sooner had the votes been counted than political observers began to speculate about the presidential election of 2008—the first time since 1952 that the major party candidates for the highest office in the land would not include a sitting president or vice president.

As the end of his second term approached, Bush's popularity sank to historic lows. This occurred even though, in November 2008, the United States and Iraq approved an agreement providing for the withdrawal of all American troops by 2011—thus ensuring that one of the longest and most unpopular wars in American history would come to an end. By sending more troops to Iraq in 2007 (a step that Bush, mindful of memories of Vietnam, called a "surge" rather than an escalation) and by forging alliances with local tribal leaders anxious to end the bloodshed, the administration had achieved a significant decline in violence in Iraq, making American withdrawal seem possible. By the time Bush left office, more than 4,000 American soldiers had died in Iraq. But no one could predict what a postwar Iraq would look like.

In January 2009, as Bush's presidency came to an end, only 22 percent of Americans approved of his performance in office—the lowest figure since such polls began in the mid-twentieth century. Indeed, it was difficult to think of many substantive achievements during Bush's eight years in office. His foreign policy alienated most of the world, leaving the United States militarily weakened and diplomatically isolated. Because of the tax cuts for the wealthy that he pushed through Congress during his first term, as well as the cost of the wars in Iraq and Afghanistan, the large budget surplus he had inherited was transformed into an immense deficit. His initiatives on immigration and Social Security reform went nowhere. The percentage of Americans living in poverty and those without health insurance rose substantially during Bush's presidency.

THE HOUSING BUBBLE

At one point in his administration, Bush might have pointed to the economic recovery that began in 2001 as a major success. But late in 2007, the economy entered a recession. And in 2008, the American banking system suddenly found itself on the brink of collapse, threatening to drag the national and world economies into a repeat of the Great Depression.

The roots of the crisis of 2008 lay in a combination of public and private policies that favored economic speculation, free-wheeling spending, and

A stalled residential project in Merced, California, symbolizes the collapse of the housing bubble in 2008. Merced, like many communities in California, was the site of numerous housing developments planned to be built when prices were at their peak. When prices fell, developers declared bankruptcy. In 2008, the half-finished project sat vacant.

get-rich-quick schemes over more traditional avenues to economic growth and personal advancement. For years, the Federal Reserve Bank kept interest rates at unprecedented low levels, first to help the economy recover from the bursting of the technology bubble in 2000 and then to enable more Americans to borrow money to purchase homes. The result was a new bubble, as housing prices rose rapidly. Consumer indebtedness also rose dramatically as people who owned houses took out second mortgages, or simply spent to the limits on their credit cards. In mid-2008, when the median family income was around $50,000, the average American family owed an $84,000 home mortgage, $14,000 in auto and student loans, $8,500 to credit card companies, and $10,000 in home equity loans.

All this borrowing fueled increased spending. The yearly savings of the average family amounted to less than $400. An immense influx of cheap goods from China accelerated the loss of manufacturing jobs in the United States (which continued their decline despite the overall economic recovery) but also enabled Americans to keep buying, even though for most, household income stagnated during the Bush years. Indeed, China helped to finance the American spending spree by buying up hundreds of billions of dollars worth of federal bonds—in effect loaning money to the United States so that it could purchase Chinese-made goods. Banks and other lending institutions issued more and more "subprime" mortgages—risky loans to people who lacked the income to meet their monthly payments. The initially low interest rates on these loans were set to rise dramatically after a year or two. Banks assumed that home prices would keep rising, and if they had to foreclose, they could easily resell the property at a profit.

Wall Street bankers developed complex new ways of repackaging and selling these mortgages to investors. Insurance companies, including the world's largest, American International Group (AIG), insured these new financial products against future default. Credit rating agencies gave these

Figure 28.1 PORTRAIT OF A RECESSION

These graphs offer a vivid visual illustration of the steep decline in the American economy in 2008 and the first part of 2009.

securities their highest ratings, even though they were based on loans that clearly would never be repaid. Believing that the market must be left to regulate itself, the Federal Reserve Bank and other regulatory agencies did nothing to slow the speculative frenzy. Banks and investment firms reported billions of dollars in profits, and rewarded their executives with unheard-of bonuses.

THE GREAT RECESSION

In 2006 and 2007, overbuilding had reached the point where home prices began to fall. More and more home owners found themselves owing more money than their homes were worth. As mortgage rates reset, increasing numbers of borrowers defaulted—that is, they could no longer meet their monthly mortgage payments. The value of the new mortgage-based securities fell precipitously. Banks suddenly found themselves with billions of dollars of worthless investments on their books. In 2008, the situation became a full-fledged crisis, as banks stopped making loans, business dried up, and the stock market collapsed. Once above 14,000, the Dow Jones Industrial Average plunged to around 8,000—the worst percentage decline since 1931. Some $7 trillion in shareholder wealth was wiped out. Lehman Brothers, a venerable investment house, recorded a $2.3 billion loss and went out of existence, in history's biggest bankruptcy. Leading banks seemed to be on the verge of failure.

With the value of their homes and stock market accounts in free fall, Americans cut back on spending, leading to business failures and a rapid rise in unemployment. By the end of 2008, 2.5 million jobs had been lost — the most in any year since the end of World War II. Unemployment was concentrated in manufacturing and construction, sectors dominated by men. As a result, by mid-2009, for the first time in American history, more women than men in the United States held paying jobs.

In the last three months of 2008, and again in the first three of 2009, the gross domestic product of the United States decreased by 6 percent—a remarkably swift contraction. Even worse than the economic meltdown was the meltdown of confidence as millions of Americans lost their jobs and/or their homes and saw their retirement savings and pensions, if invested in the stock market, disappear. In April 2009, the recession that began in December 2007 became the longest since the Great Depression. In an era of globalization, economic crises inevitably spread worldwide. The decline in spending in the United States led to unemployment in China, and plunging car sales led to a sharp decline in oil prices and economic problems in oil-producing countries like Russia, Nigeria, and Saudi Arabia. Housing bubbles collapsed around the world, from Ireland to Dubai.

The mortgage crisis affected minorities the most. Many had been steered by banks into subprime mortgages even when they had the assets and income to qualify for more traditional, lower-cost loans. As a result, foreclosures were highest in minority areas, and the gains blacks, Asians, and Hispanics had made in home ownership between 1995 and 2004 now eroded.

"A CONSPIRACY AGAINST THE PUBLIC"

In *The Wealth of Nations* (1776), Adam Smith wrote: "People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public." This certainly seemed an apt description of the behavior of leading bankers and investment houses whose greed helped to bring down the American economy. Like the scandals of the 1920s and 1990s, those of the Bush era damaged confidence in the ethics of corporate leaders. Indeed, striking parallels existed between these three decades — the get-rich-quick ethos, the close connection between business and government, the passion for deregulation, and widespread corruption.

Fueled by revelations of corporate misdeeds, the reputation of stock brokers and bankers fell to lows last seen during the Great Depression. One poll showed that of various social groups, bankers ranked third from the bottom in public esteem—just above prostitutes and convicted felons. Resentment was fueled by the fact that Wall Street had long since abandoned the idea that pay should be linked to results. By the end of 2008, the worst year for the stock market since the Depression, Wall Street firms had fired 240,000 employees. But they also paid out $20 billion in bonuses to top executives. Even the executives of Lehman Brothers, a company that went bankrupt (and, it later turned out, had shortchanged New York City by hundreds of millions of dollars in corporate and other taxes), received $5.7 billion in bonuses in 2007 and 2008.

It was also revealed that Bernard Madoff, a Wall Street investor who claimed to have made enormous profits for his clients, had in fact run a Ponzi scheme in which investors who wanted to retrieve their money were paid with funds from new participants. Madoff sent fictitious monthly financial statements to his clients but he never actually made stock purchases for them. When the scheme collapsed, Madoff's investors suffered losses amounting to around $50 billion. In 2009, Madoff pleaded guilty to

This cartoon suggests that the near-collapse of the financial system in 2008 indicates the need for "a little more regulation."

fraud and was sentenced to 150 years in prison. In some ways, Madoff's scheme was a metaphor for the American economy at large over the previous decade. Its growth had been based on borrowing from others and spending money people did not have. The popular musical group Coldplay related what had happened:

I used to rule the world. . . .
I discovered that my castles stand
On pillars of salt and pillars of sand.

THE COLLAPSE OF MARKET FUNDAMENTALISM

The crisis exposed the dark side of market fundamentalism—the ethos of deregulation that had dominated world affairs for the preceding thirty years. Alan Greenspan, the head of the Federal Reserve Bank from 1987 to 2006, had steered the American economy through crises ranging from the stock market collapse of 1987 to the terrorist attacks of 2001. Greenspan had presided over much of the era of deregulation, artificially low interest rates, and excessive borrowing and spending. He and his successors had promoted the housing bubble and saw all sorts of speculative behavior flourish with no governmental intervention. In effect, they allowed securities firms to regulate themselves.

In 2008, Greenspan admitted to Congress that there had been a "flaw" in his long-held conviction that free markets would automatically produce the best results for all and that regulation would damage banks, Wall Street, and the mortgage market. He himself, he said, was in a state of "shocked disbelief," as the crisis turned out to be "much broader than anything I could have imagined." Greenspan's testimony seemed to mark the end of an era. Every president from Ronald Reagan onward had lectured the rest of the world on the need to adopt the American model of unregulated economic competition, and berated countries like Japan and Germany for assisting failing businesses. Now, the American model lay in ruins and a new role for government in regulating economic activity seemed inevitable.

BUSH AND THE CRISIS

In the fall of 2008, with the presidential election campaign in full swing, the Bush administration seemed unable to come up with a response to the crisis. In keeping with the free market ethos, it allowed Lehman Brothers to fail. But this immediately created a domino effect, with the stock prices of other banks and investment houses collapsing, and the administration quickly reversed course. It persuaded a reluctant Congress to appropriate $700 billion dollars to bail out other floundering firms. Insurance companies like AIG, banks like Citigroup and Bank of America, and giant financial companies like the Federal Home Loan Mortgage Corporation (popularly known as Freddie Mac) and the Federal National Mortgage Association (Fannie Mae), which insured most mortgages in the country, were deemed "too big to fail"—that is, they were so interconnected with other institutions that their collapse would drive the economy into a full-fledged depression. Through the federal bailout, taxpayers in effect took temporary ownership of these companies, absorbing the massive losses

created by their previous malfeasance. Most of this money was distributed with no requirements as to its use. Few of the rescued firms used the public funds to assist home owners threatened with foreclosure; indeed, since they pocketed lucrative fees from those who could not pay their mortgages, they had no incentive to help them keep their homes or sell them. Giant banks and investment houses that received public money redirected some of it to enormous bonuses to top employees. But despite the bailout, the health of the banking system remained fragile. Firms still had balance sheets weighed down with "toxic assets"—billions and billions of dollars in worthless loans.

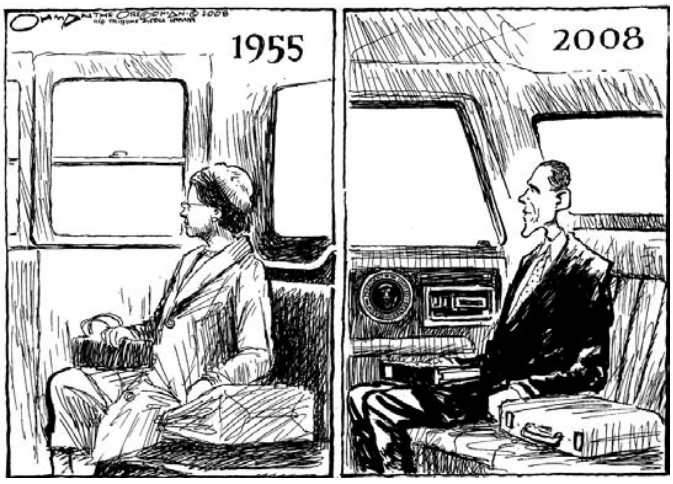
The crisis also revealed the limits of the American "safety net" compared with other industrialized countries. In western Europe, workers who lose their jobs typically receive many months of unemployment insurance amounting to a significant percentage of their lost wages. In the United States, only one-third of out-of-work persons even qualify for unemployment insurance, and it runs out after a few months. The abolition of "welfare" (the national obligation to assist the neediest Americans) during the Clinton administration left the American safety net a patchwork of a few national programs like food stamps, supplemented by locally administered aid. The poor were dependent on aid from the states, which found their budgets collapsing as revenues from property and sales taxes dried up. California, which in 2009 faced a budget gap of $26 billion, was forced to slash spending for education, health care, and services for the poor. In the United States as a whole, only one-fifth of poor children and their parents received any public relief at all.

THE RISE OF OBAMA

With the economy in crisis and President Bush's popularity at low ebb, the time was ripe for a Democratic victory in the election of 2008. To the surprise of nearly all political pundits, the long series of winter and spring caucuses and primary elections resulted in the nomination not of Hilary Rodham Clinton, the initial favorite, but Barack Obama, a relatively little-known forty-seven-year-old senator from Illinois when the campaign began. Obama was the first black candidate to win the nomination of a major party. His triumph was a tribute both to his own exceptional skills as a speaker and campaigner, and to how American politics had changed.

Obama's life story exemplified the enormous changes American society had undergone since 1960. Without the civil rights movement, his election would have been inconceivable. He was the product of an interracial marriage, which ended in divorce when he was two years old, between a Kenyan immigrant and a white American woman. When Obama was born in 1961, their marriage was still illegal in many states. He attended Columbia College and Harvard Law School, and worked in Chicago as a community organizer before going into politics. He also wrote two best-selling books about his upbringing in Indonesia (where his

A cartoon in the Boston Globe *suggests the progress that has been made since Rosa Parks refused to give up her seat on a bus to a white passenger.*



mother worked as an anthropologist) and Hawaii (where his maternal grandparents helped to raise him) and his search for a sense of identity given his complex background. Obama was elected to the U.S. Senate in 2004 and first gained national attention with an eloquent speech at the Democratic national convention that year.

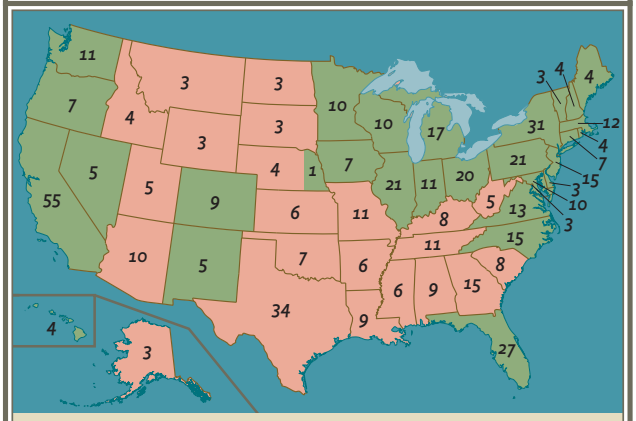
Clinton sought the Democratic nomination by emphasizing her political experience, both as First Lady and as a senator from New York. Obama realized that in 2008 people were hungry for change, not experience. Indeed, while Clinton's nomination would also have been path-breaking—no woman has ever been the presidential candidate of a major party—Obama succeeded in making her seem a representative of the status quo. His early opposition to the Iraq War, for which Clinton had voted in the Senate, won the support of the party's large antiwar element; his race galvanized the support of black voters; and his youth and promise of change appealed to the young.

Obama recognized how the Internet had changed politics. He established an e-mail list containing the names of millions of voters with whom he could communicate instantaneously, and used web-based networks to raise enormous sums of money in small donations. His campaign put out videos on popular Internet sites. With its widespread use of modern technology and massive mobilization of new voters, Obama's was the first political campaign of the twenty-first century.

THE 2008 CAMPAIGN

Having won the nomination, Obama faced Senator John McCain, the Republican nominee, in the general election. At age sevety-two, McCain was the oldest man ever to run for president, and he seemed even more a representative of the old politics than Clinton. Citing his willingness to break with his party on issues like campaign finance reform, McCain tried to portray himself not as part of the establishment but as a "maverick," or rebel. He surprised virtually everyone by choosing as his running mate Sarah Palin, the little-known governor of Alaska, in part as an attempt to woo Democratic women disappointed at their party's rejection of Hilary Clinton. Palin quickly went on the attack, accusing Democrats of being unpatriotic, lacking traditional values, and not representing the "real America." This proved extremely popular with the Republican party's conservative base. But her performances in speeches and interviews soon made it clear that she lacked familiarity with many of the domestic and foreign issues a new administration would confront. Her selection raised questions among many Americans about McCain's judgment.

THE PRESIDENTIAL ELECTION OF 2008



Party	Candidate	Electoral Vote (Share)	Popular Vote (Share)
Democrat	Obama	365(67.8%)	66,882,230 (53%)
Republican	McCain	173(32.2%)	58,343,671 (46%)

But the main obstacles for the McCain campaign were President Bush's low popularity and the financial crisis that reached bottom in September and October. Obama's promise of change seemed more appealing than ever. On election day, he swept to victory with 53 percent of the popular vote and a large majority in the electoral college. His election redrew the nation's political map. Obama

carried not only Democratic strongholds in New England, the mid-Atlantic states, the industrial Midwest, and the West Coast, but also states that had been reliably Republican for years. He cracked the solid South, winning Virginia, North Carolina, and Florida. He did extremely well in suburbs throughout the country. He even carried Indiana, where Bush had garnered 60 percent of the vote in 2004, but which now was hard hit by unemployment. Obama put together a real "rainbow" coalition, winning nearly the entire black vote and a large majority of Hispanics (who helped him to carry Colorado, Nevada, and Florida). He did exceptionally well among young voters. Obama carried every age group except persons over 65. Thus, he was elected even though he received only 43 percent of the nation's white vote.

THE AGE OF OBAMA?

Obama's victory seemed to mark the end of a political era that began with Richard Nixon and his "southern strategy." Instead of using control of the South as the base to build a national majority, Republicans now ran the danger of becoming a regional and marginalized southern party. In the wake of the Iraq War, the economic meltdown, and the enthusiasm aroused by Obama's candidacy, Republican appeals to patriotism, low taxes, and resentment against the social changes sparked by the 1960s seemed oddly out of date. Democrats not only regained the presidency but ended up with 60 of the 100 seats in the Senate and a large majority in the House. The groups carried by Obama—young voters, Hispanics, suburbanites—represented the growing parts of the population, auguring well for future Democratic success. In an increasingly multi-ethnic,multiracial nation, winning a majority of the white vote no longer translated into national victory. Republicans would have to find a way to appeal to the voters of the new America.

The election of the nation's first African-American president represented a historic watershed. Whether it constituted what political scientists call a "critical election"—one that changes the basic assumptions governing national policy—remained to be seen. Critical elections have been few and far between in American history. The election of Jefferson in 1800 dealt a death blow to the Federalist Party. Jackson's in 1828 ushered in the politics of popular democracy. Lincoln's in 1860 ended southern control of the national government. William McKinley in 1896 and Franklin D. Roosevelt in 1932 created new political alignments and enduring national majorities for their parties. Ronald Reagan's election in 1980 established a new set of governing principles. Most presidential elections, however, have left the policies of the federal government largely unchanged, even when a new party was victorious. Only time would tell whether Obama's election announced the end of the Age of Reagan, the era of economic deregulation, the demonization of the federal government, and an aggressive foreign policy abroad, and the beginning of something fundamentally different.

OBAMA'S INAGURATION

Few presidents have come into office facing as serious a set of problems as Barack Obama. The economy was in crisis and the country involved in two

wars. But Americans, including many who had not voted for him, viewed Obama's election as a cause for optimism. Two days after his victory, a poll found two-thirds of Americans describing themselves as proud of the result, and 60 percent excited at the prospect of an Obama administration.

On January 20, 2009, a day after the Martin Luther King Jr. holiday and more than forty-five years after King's "I Have a Dream" speech, Obama was inaugurated as president. More than 1 million people traveled to Washington to view the historic event. In his inaugural address (see the full text in the Appendix), Obama offered a stark rebuke to eight years of Bush policies and, more broadly, to the premises that had shaped government policy since the election of Reagan. He promised a foreign policy based on diplomacy rather than unilateral force, pledged to protect the environment, spoke of the need to combat income inequality and lack of access to health care, and blamed a culture of "greed and irresponsibility" for helping to bring on the economic crisis. He promised to renew respect for the Constitution. Unlike Bush, Obama said little about freedom in his speech, other than to note that the country could enjoy liberty and security at the same time rather than having to choose between them. Instead of freedom, he spoke of community and responsibility. His address harked back to the revolutionary-era ideal of putting the common good before individual self-interest.

In the spring of 2009, Republicans and independents opposed to President Obama's "stimulus" plan held "tea parties" around the country, seeking to invoke the tradition of the Boston Tea Party and its opposition to taxation. In this demonstration in Austin, Texas, some participants wore hats reminiscent of the revolutionary era. One participant carries a sign urging the state to secede from the Union.

OBAMA'S FIRST MONTHS

In many ways, Obama's first policy initiatives lived up to the promise of change. In his first three months, he announced plans to close the prison at Guantánamo Bay in Cuba, barred the use of torture, launched a diplomatic initiative to repair relations with the Muslim world, reversed the previous administration's executive orders limiting women's reproductive rights, and abandoned Bush's rhetoric about a God-given American mission to spread freedom throughout the world. When Supreme Court justice David Souter announced his retirement, Obama named Sonia Sotomayor, the first Hispanic and third woman in the Court's history, to replace him. The Senate confirmed her in August 2009.

Obama's first budget recalled the New Deal and Great Society. Breaking with the Reagan-era motto, "Government is the problem, not the solution," it anticipated active government support for health care reform, clean energy, and public education, paid for in part by allowing Bush's tax cuts for the wealthy to expire in 2010. He pushed through Congress a "stimulus" package amounting to nearly $800 billion in new government spending— for construction projects, the extension of unemployment benefits, and aid to the states to enable them to balance their budgets.

The largest single spending appropriation in American history, the bill was meant to pump money into the economy in order to save and create jobs and to ignite a resumption of economic activity.

For most of Obama's first year in office, congressional debate resolved around a plan to restructure the nation's health care system so as to provide insurance coverage to the millions of Americans who lacked it, and to end abusive practices by insurance companies, such as their refusal to cover patients with existing illnesses. After months of increasingly bitter debate, in March 2010, Congress passed a sweeping health-care bill that required all Americans to purchase health insurance and most businesses to provide it to their employees. It also offered subsidies to persons of modest incomes so they could afford insurance, and required insurance companies to accept all applicants. This was the most far-reaching piece of domestic social legislation since the Great Society of the 1960s, and it aroused strong partisan opposition. Claiming that it amounted to a "government takeover" of the health-care industry (even though plans for a government-run insurance program had been dropped from the bill), every Republican in Congress voted against the bill.

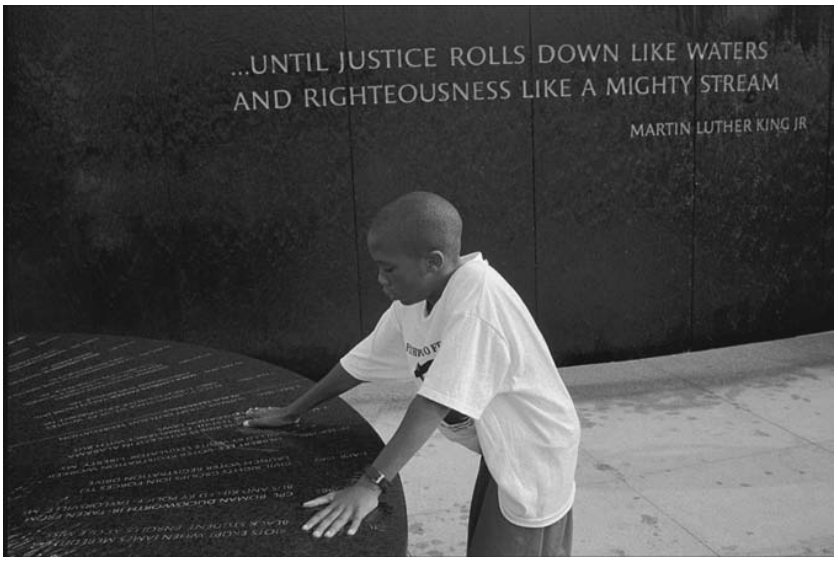
The design for a series of office buildings that will replace the World Trade Center illustrate the juxtaposition of optimism and fear in the aftermath of September 11, 2001. The soaring towers underscore Americans' capacity for recovery and regeneration. But at the insistence of the New York City police, the base of the Freedom Tower, at the left, consists of reinforced concrete, giving the building, at ground level, the appearance of a fortress.

Like many of his predecessors, Obama found that criticizing presidential power from outside is one thing, dismantling it from inside another. He reversed his previous promise to abolish the military tribunals Bush had established. He pledged to complete the planned withdrawal from Iraq, but dispatched 17,000 more American troops to Afghanistan, and in December 2009 announced plans to send another 30,000, creating the danger that his administration would become bogged down in another military quagmire. His stimulus package marked a new departure, but he chose his economic advisers from Wall Street and continued the Bush administration policy of pouring taxpayer money into the banks and assuming responsibility for many of their debts. In the meantime, the economy continued to hemorrhage jobs (the unemployment rate reached 10.2 percent in November). As 2010 neared its midpoint it remained unclear how long it would take for the financial system to resume normal operations and for the country to emerge from the Great Recession.

LEARNING FROM HISTORY

"The owl of Minerva takes flight at dusk." Minerva was the Roman goddess of wisdom, and this saying suggests that the meaning of events only becomes clear once they are over. It is still far too soon to assess the full impact of September 11 on American life and the long-term consequences of the changes at home and abroad it inspired.

As of the end of 2009, the world seemed far more unstable than anyone could have predicted when the Cold War ended nearly twenty years



Seeking the lessons of history: a young visitor at the Civil Rights Memorial in Montgomery, Alabama.

earlier. An end to the war on terror seemed as remote as ever. The future of Iraq and Afghanistan remained uncertain, and Pakistan, traditionally the closest ally of the United States in that volatile region, experienced serious political instability. No settlement of the long-standing conflict between Israel and its Arab neighbors seemed in sight. Iran, its power in the region enhanced by the American removal of its chief rival, Saddam Hussein's regime in Iraq, appeared to be bent on acquiring nuclear weapons, which the United States vowed to prevent, raising the prospect of future conflict. Other regions of the world also presented daunting problems for American policymakers. North Korea had acquired nuclear weapons and refused international pressure to give them up. China's rapidly growing economic power posed a challenge to American predominance. A series of Latin American countries elected presidents who rejected the doctrines of globalization and global free trade pressed so insistently by the United States.

No one could predict how any of these crises, or others yet unimagined, would be resolved. And taking a longer view, a study by American intelligence agencies predicted that by 2025 the United States would remain the world's most powerful nation, but that its economic and military predominance will have declined significantly. A "multipolar world," with countries like China and India emerging as major powers, would succeed the era of unquestioned American dominance. How the continuing global financial crisis would affect these developments remained to be seen.

What *is* clear is that September 11 and its aftermath drew new attention to essential elements of the history of American freedom. As in the past, freedom is central to Americans' sense of themselves as individuals and as a nation. Americans continue to debate contemporary issues in a political landscape shaped by ideas of freedom. Indeed, freedom remains, as it has always been, an evolving concept, its definition open to disagreement, its boundaries never fixed or final. Freedom is neither self-enforcing nor self-correcting. It cannot be taken for granted, and its preservation requires eternal vigilance, especially in times of crisis.

More than half a century ago, the African-American poet Langston Hughes urged Americans both to celebrate the freedoms they enjoy and to remember that freedom has always been incomplete:

> There are words like *Freedom*
> Sweet and wonderful to say.
> On my heartstrings freedom sings
> All day everyday.
>
> There are words like *Liberty*
> That almost make me cry.
> If you had known what I know
> You would know why.

SUGGESTED READING

BOOKS

Bacevich, Andrew. *American Empire: The Realities and Consequences of U.S. Diplomacy* (2003). Examines how the idea of an American empire reemerged after September 11, and some of the results.

Brinkley, Douglas. *The Great Deluge: Hurricane Katrina, New Orleans, and the Mississippi Gulf Coast* (2006). A scathing account of how government at all levels failed the people of New Orleans.

Cole, David. *Terrorism and the Constitution* (rev. ed., 2006). Explores the constitutional issues raised by the war on terrorism.

Krugman, Paul, *The Return of Depression Economics and the Crisis of 2008* (2009). A leading economist explains the origins of the Great Recession.

Lakoff, George. *Whose Freedom? The Battle over America's Most Important Idea* (2006). Describes how conservatives and liberals continue to interpret freedom in very different ways.

Levitas, Mitchell, ed. *A Nation Challenged: A Visual History of 9/11 and Its Aftermath* (2002). Presents striking photographs of the terrorist attacks and the days that followed.

Little, Douglas. *American Orientalism: The United States and the Middle East since 1945* (2003). A careful study of American relations with a volatile region since World War II.

Nye, Joseph S., Jr. *The Paradox of American Power* (2002). An argument that despite its overwhelming power, the United States cannot do as it pleases in international affairs.

Packer, George. *The Assassin's Gate: America in Iraq* (2005). An early supporter of the war in Iraq explains what went wrong.

Zakaria, Fareed. *The Future of Freedom: Illiberal Democracy at Home and Abroad* (2003). A foreign policy analyst discusses how the United States should respond to threats to freedom in the world.

WEBSITES

September 11 Digital Archive: http://911digitalarchive.org
The White House: www.whitehouse.gov

Chapter Review

REVIEW QUESTIONS

1. Describe how President Bush's foreign policy initiatives departed from the traditional policies practiced by every president since World War II.

2. How did September 11 transform America's stance toward the world?

3. What were the roots of the Bush administration's policy in Iraq?

4. Was Iraq another Vietnam for the United States? Explain.

5. What impact did the war on terror have on liberties at home?

6. What were the major thrusts of the Bush administration's economic policies?

7. How did Supreme Court decisions since 2001 indicate that the rights revolution was here to stay?

8. What were the political effects of Hurricane Katrina?

9. How were the business scandals of the Bush era similar to those of the 1920s and 1990s?

10. What factors led to the rapid rise and political success of Barack Obama?

FREEDOM QUESTIONS

1. Do you think President Bush was correct in saying that the country's antagonists "hate our freedom" Explain.

2. Did the war on terror strike the proper balance between freedom and security?

3. How did the war on terror expand the powers of the president?

4. In what ways did the Obama campaign connect with the history of American freedom?

5. Given what you now know about American history, what is your definition of American freedom, and how is it best attained?

KEY TERMS

Kyoto Protocol (p. 1173)

the Bush Doctrine (p. 1175)

war in Afghanistan (p. 1175)

"axis of evil" (p. 1176)

preemptive war (p. 1177)

signing statements (p. 1188)

"jobless" recovery (p. 1188)

culture of corruption (p. 1191)

Hurricane Katrina (p. 1191)

Lawrence v. Texas (p. 1196)

Hamdi v. Rumsfeld (p. 1196)

Boumediene v. Bush (p. 1197)

"housing bubble" (p. 1199)

Great Recession (p. 1200)

Sonia Sotomayor (p. 1206)

REVIEW TABLE

Significant Changes in American Policy since September 11

Policy	*Explanation*
Bush Doctrine	America commits itself to a war against terrorism
USA PATRIOT Act	Confers unprecedented powers on law-enforcement agencies
National Security Strategy	Advocates preemptive war for the first time in American history
New Beginning	Obama pledges to emphasize diplomacy, not war