

Bill Clinton

New Gilded Age President

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UNIVERSITY PRESS OF KANSAS

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INTRODUCTION: BILL CLINTON AND THE NEW GILDED AGE

Bill Clinton's quest for the presidency coincided with America's re-discovery of the Gilded Age, that late-nineteenth-century era unforgettably christened by Mark Twain and Charles Dudley Warner. It was a nation glittery on the outside but cheap and tawdry beneath the surface.¹ Before the 1990s, the Gilded Age was largely of interest to history buffs and devotees of writers like Twain, Edith Wharton, and O. Henry. For four dollars visitors could take a guided tour of "Millionaires' Row," the stretch of Fifth Avenue between 78th and 91st Streets in New York City that was once the habitat of the Vanderbilts, Whitneys, and Mellons. Or they could visit "The Breakers," the Vanderbilt's seventy-room Italian villa in Newport, Rhode Island, where Gilded Age reenactors rode the grounds in ornate, horse-drawn coaches.²

But just as Clinton was embarking on his presidential campaign in the early nineties, interest in those gilded decades took a more serious turn. Commentators began noting disturbing similarities with their own times: unsettling change, growing income inequality, conspicuous consumption, racial and ethnic tensions, government largesse for the rich and well born. And in politics: scandals—real and trumped up—and partisan warfare out of proportion to the actual differences between the parties. If the roaring nineties had Millionaires' Row with its ornate mansions, the 1990s had McMansions inside gated communities. It was enough to constitute a new Gilded Age. "Too many stretch limousines in Manhattan, too many yacht jams off Newport Beach and too many fur coats in Aspen," onetime conservative activist Kevin Phillips complained in 1990, noting that during the 1980s alone the number of millionaires had tripled, while median family income had budged hardly at all.³

In both ages, economic forces were in the driver's seat, presidents and politicians along for the ride. "There is no other period in the nation's history," historian Richard Hofstadter wrote of the original Gilded Age, "when politics seems so completely dwarfed by economic changes, none in which the life of the country rests so completely in the hands of the industrial entrepreneur. The industrialists of the Gilded Age [here he's thinking of the Carnegies, Rockefellers, and J. P. Morgans] were . . . men of heroic audacity and magnificent exploitative talents—shrewd,

energetic, aggressive, rapacious, domineering, insatiable. . . . From them the era took its tone and color.”⁴ “Change the industrial references to high tech,” wrote columnist E. J. Dionne, Jr., “and Hofstadter’s description of the late 19th century sounds like a brilliant evocation of our own 1980s and ’90s.”⁵ Any number of commentators have since extended the Gilded Age analogy well into the twenty-first century to the point that it’s almost become a cliché.⁶

The parallels between the two eras were not lost on Bill Clinton. He returned to the first Gilded Age time after time, as well as to the Progressive Era that followed. He believed those times were most like his own, with useful lessons for the present.

To Clinton, the defining characteristic of both ages was change—change so vast and far-reaching, it happened only a few times in American history. But when it did happen, the way people lived and worked was changed forever. Clinton employed the argot of social science to capture the change he had in mind: it was, he said, nothing less than a “paradigm shift.” The Gilded Age was when agrarian America morphed into an urban industrial behemoth. A century later Clinton observed: “We’re going from the industrial age to an information-technology age, from the Cold War to a global society.” The results were uncannily similar. He spotlighted the “enormous changes in the way people work and live.” There has been, he said, “a large increase in immigration and an increasing diversity in America, with all the tensions that that brings. There are vast fortunes being made—people are having opportunities they never dreamed of. But a lot of people have been dislocated.” Clinton had a more nuanced view of the Gilded Age than many. There was more to it than robber barons and huddled masses. It was an age of grand inventions like the electric light, telephone, phonograph, automobile, and motion picture; of medical and scientific breakthroughs; of new and interesting ways of understanding human behavior. Clinton also acknowledged important differences between the two ages. The middle class of his time was both larger and protected by a social safety net that had been practically nonexistent a century earlier. On the other hand, Americans were less inclined to look to Washington for a solution to their problems than their counterparts in the late nineteenth and early twentieth centuries.⁷

What did Clinton learn from the past that might be of use to the present? Mainly, that the Industrial Revolution had been worth it, but not at the cost of children working sixty hours a week, women being exploited in the workplace, or small businesses being crushed by monopolies. Eventually government had to step in to ameliorate hardships and level the playing field. In his own time, it needed to upgrade education and job training so that American workers could compete in a global economy. It needed to reform health care so that Americans wouldn't be hamstrung by spiraling medical costs. And it needed to help the country surmount racial disparities so that it might be unburdened by the divisions of the past.

At the same time, Clinton was convinced that there was no holding back change. A fundamental transformation was under way, and the sooner Americans accepted it and adapted to it, the sooner they would enjoy its benefits.

Interviewed by the editors of the *Atlantic* midway through his presidency, Clinton expressed hope the United States could get through the current transformation "more quickly" and with "less disruption" than a century earlier. His *Atlantic* interviewers weren't quite so sure. "He was reassuring and upbeat," they observed, "but beneath his action plan seemed to be a fatalistic awareness that this transition would be wrenching, like the one a century ago that accompanied the rise of unions and mass production."⁸

Historians now take the presidents of the first Gilded Age more seriously than they once did. No longer are the White House occupants from Rutherford B. Hayes to William McKinley treated as interchangeable nonentities. Some Gilded Age presidents, it's clear, were abler and more influential than others. Even so, most historians would agree that none left an indelible mark on his time and place or significantly altered the course of American history. None exerted the influence of a Washington or a Jefferson, a Jackson or a Lincoln. They "are largely forgotten men," writes one historian, "because so little was expected of them."⁹

The presidents of the new Gilded Age—from Gerald Ford through Bill Clinton to Barack Obama—are a different breed. They've been far more engaged and certainly haven't suffered from low expectations.

Indeed, since Franklin Roosevelt, they've been expected to perform miracles. Still, they have much in common with their late-nineteenth-century counterparts. Modern presidents have been more market-oriented than most of their immediate predecessors—more supportive of deregulation and more inclined to elevate supply over demand as the engine of economic growth. Economically speaking, Bill Clinton was closer to Jimmy Carter, Ronald Reagan, and the Bushes—father and son—than to Harry Truman, John F. Kennedy, Lyndon Johnson, or even Richard Nixon. Of Clinton's deregulatory policies, a lobbyist representing small banks said, "Teddy Roosevelt is turning over in his grave."¹⁰ "Ever since Bill Clinton came to office," wrote *New York Times* reporter David Sanger, "he has done more for the Fortune 500 than virtually any other President in this century." Sanger was talking only about the first term. There was more to come.¹¹

So far, none of the presidents of Clinton's cohort has achieved the distinction or exerted the influence of a half-dozen or so of their predecessors. There were no Roosevelts—Theodore or Franklin—Woodrow Wilsons, Harry Trumans, or Lyndon Johnsons in their ranks. It's not their fault. Despite the public's fixation on the White House—and fixation it was—the flywheel of contemporary history was powered in the private, not public, realm. Clinton wanted to be a Theodore Roosevelt or a Woodrow Wilson. But the new Gilded Age lasted too long, and he came too early to fulfill his wish.

As his presidency neared an end, Clinton appeared to reconcile himself to a less exalted place in history than he had hoped. He began to express a certain kinship with his Gilded Age brethren. He extolled their forgotten virtues. According to one reporter, Clinton told aides that Grover Cleveland and Rutherford B. Hayes "were underappreciated as progressive reformers who tried to limit the power of big business and undercut the nativism and class hatreds of their age—stances he obviously considers parallel to his own." (The reporter also noted that Clinton stopped talking about Cleveland openly after he learned that his portly predecessor's nickname was "Big Jumbo.")¹²

Given the odds against him—sweeping forces largely beyond his control, no mandate, a weak political base, perhaps the most relentless opposition

faced by any president since FDR, and no great crisis around which to mobilize public opinion—Bill Clinton racked up notable successes. Anyone even vaguely familiar with the history of health care could have predicted the long odds facing the Clintons' proposed reform. But who could have predicted his success in refashioning the Democratic Party along centrist lines? Or his ability to neutralize hot-button issues like crime and welfare with which Republicans had been bludgeoning Democrats for decades? And who, in the aftermath of the 1994 Republican Party takeover of Congress, could have imagined that Clinton would not only win reelection but also finish out his second term with the highest performance ratings of any modern president? A vigorous deployment of executive power and rule-making authority allowed Clinton to put on the books an array of measures, from health-care expansion to gun control, that stood no chance of getting through Congress after the Republicans seized control in 1994. Clinton could also boast prudent stewardship of the economy, although the lion's share of the credit for the economic boom of the nineties would have to go to the emergence of the computer and telecommunications industries and of the Internet.

Clinton opened the presidency to American popular culture in ways that made it more relevant to most people's lives. As *New York Times* reporter Todd Purdum put it, "Clinton made the modern presidency more understandable and approachable, and eliminated a substantial measure of the distance that had insulated the office and its occupants."¹³ That he did so in the face of persistent antigovernment sentiment is even more remarkable.

The first baby boomer to occupy the White House, almost no matter who it was, was bound to alter public perceptions of the office. Yet it would be hard to imagine others of Clinton's generation connecting with popular culture as effectively as he did. It's hard to imagine Al Gore, George W. Bush, or Newt Gingrich playing a saxophone rendition of "Heartbreak Hotel" on Arsenio Hall's talk show; doing an Elvis impersonation on *Imus in the Morning*; wolfing down Big Macs on the way back from jogging; identifying his underwear preferences on MTV (briefs); or inspiring a best-selling novel, *Primary Colors*, a film of the same name, and the enormously popular television series *The West Wing*.

Every so often a president has to refurbish the image of the presidency to keep it relevant. Roosevelt did it in the 1930s; Kennedy did it in the sixties; Reagan, with his star quality and image consciousness, did it in the eighties. And Clinton did it in the nineties. But there is a world of difference between refurbishing an office's image and guiding the economic destinies of a great nation.

Maybe that is why Clinton unexpectedly chose to concentrate as much as he did on foreign policy during his presidency. After a stumbling start, the administration devised a plausible strategic substitute for the containment policy that had guided the United States throughout the Cold War. Formulated by Clinton's national security adviser Anthony Lake, the new strategy called for the enlargement of the world's free-market democracies. The administration also devised a checklist of sorts to determine when, and under what circumstances, the United States would participate in international peacekeeping operations. Although much derided at the time, the checklist, had it existed and been taken seriously in the sixties, might have avoided disaster in Vietnam.

More controversially, Clinton expanded the president's war-making authority over Congress; anticipated some of his successor's tactics in the post-9/11 War on Terror; and, by accusing Saddam Hussein of concealing weapons of mass destruction, helped lay the groundwork for the US invasion of Iraq in 2003. The crisis that erupted in the spring of 2014 in Crimea and Ukraine was at least partly related to Clinton's decision to extend NATO membership to some former Soviet satellites. Yet, despite the long reach of his foreign policy, Clinton was never able to put his personal stamp on it, with the result that few people today think of foreign policy when they think of Clinton.

Clinton's biggest challenge was translating into concrete and compelling terms his vision of a nation moving from one era to another. "If you look at some of our most difficult times," he told one audience, "they're the times of transition when we're moving from one era to another and people can't give you a clear map." He recalled his grandfather telling him that as poor as people were in the Great Depression, "there was a certain happiness of spirit people felt after Roosevelt got in, and everybody knew that they were working together and they were going somewhere."¹⁴ FDR's goals, though daunting, were clear: end the depression and win the war. Similarly, during the Cold War the goal was equally

clear: contain, and ultimately defeat, the Soviet Union. Presidents might argue over means but ends were never in doubt. But how to describe the journey out of the new Gilded Age and to impale it on a memorable catch phrase or slogan? Clinton tried out a number of phrases—"the third way," "the vital center," "the New Covenant"—but none caught on. Finally, he hit upon the metaphor of a bridge, a bridge to the twenty-first century. Accepting the nomination of his party in 1996, he said: "Tonight let us resolve to build that bridge to the 21st century, to meet our challenges, protect our basic values and prepare our people for the future." Four years later it was mission accomplished. At the 2000 convention that nominated Al Gore, Clinton said, perhaps a little prematurely, "My fellow Americans, tonight we can say with gratitude and humility: We built our bridge to the 21st century. We crossed that bridge together. And we're not going back."

Margaret Sullivan, the public editor of the *New York Times*, captured something of Clinton's dilemma in a speech to college newspaper editors in 2014. "Because we are in the midst of such radical change," she said, "we can't see clearly what's going on. . . . No one can say what the new landscape will be, even five years from now."¹⁵ Sullivan was talking about the "monumental" changes reshaping the communications industry. She could just as easily have been talking about the transformative changes being wrought by a Second Gilded Age. The biggest problem with the bridge metaphor was the inability of Clinton, or anyone else for that matter, to describe what was on the other side. Or how you would know when you got there.

Clinton's quandary is also the historian's. The first chroniclers of Franklin Roosevelt's presidency could bring closure to their stories. The depression was over, the war won. The transformative era over which Clinton presided continues to unfold, with no end in sight. The legislative accomplishments of his presidency—free trade, welfare reform, deregulation—remain works in progress. Even admiring coworkers cannot agree on his legacy. Janet Yellen, chair of the Federal Reserve Board, chaired Clinton's Council of Economic Advisers. So did Noble Laureate Joseph Stiglitz. Both were admirers of the president. Yellen coauthored, with another of Clinton's economic advisers, a book entitled *The Fabulous Decade*, extolling the accomplishments of the administration. Stiglitz's book, *The Roaring Nineties*, compares the Clinton

nineties with the 1920s, a period of excess, misplaced priorities, and missed opportunities.

It's not clear what those missed opportunities were in an era when presidential power is forced to take a backseat to economic forces beyond its control.