

## *Chapter 1*

### INTRODUCTION: A TALE OF TWO TERMS

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George W. Bush left office on 20 January 2009. Many, perhaps most, observers thought the country and world inherited by Barack Obama were considerably less safe and prosperous than those Bush had inherited eight years earlier. While most presidents, even two-term ones, leave office with their reputations damaged, they rarely achieve the level of opprobrium that clung to President Bush. Americans, in a multitude of different polls, consistently rated him as one of the country's worst post-war presidents – and not without reason.

#### 1. SECOND TERM WOES

Bush started, and failed to end, wars and civil wars in Afghanistan and Iraq, at great human, financial and geopolitical cost. Tens of thousands of lives and hundreds of billions of dollars were expended in a hitherto unsuccessful attempt to rid the world of “terror”. Indeed, many commentators and politicians, including Bush's successor in the White House, suggested that the war on terror was itself a primary motivating factor radicalising elements, particularly fundamentalist Islamists, already hostile to the United States, thus making the world a more dangerous and unstable place. Even outside the two main arenas of conflict, the security situation deteriorated in Europe, Asia and the Middle East. The United Kingdom, Spain, Russia and its satellites, Pakistan, India, Indonesia, China and Egypt, among others, experienced large and deadly terrorist attacks after the instigation of the war on terror. The Israel–Palestine conflict, both a cause and consequence of instability and hostility, erupted again in 2008 with great loss of life. During Bush's tenure, governments friendly to the

United States lost power or were threatened by their public's hostility to American actions (Spain, Pakistan, Turkey) while others used that hostility to bolster, or hang on to, power (Iran, Syria, Cuba). Bush's foreign policy woes were not the result of bad luck or military failure, argues Ralph in Chapter 6, but a strategic failure of the Bush doctrine.

The world is now more hazardous, and critics claim Bush is to blame. He is pilloried, too, for economic failures, none more so than the global financial crisis. As Bush left office, government spending, the national debt, budget deficit and balance of trade were at historically high peacetime levels. Unemployment was rising quickly, the economy shrinking, banks failing and the motor industry on the edge of bankruptcy. The economic environment had not looked so perilous since the dark days of the Great Depression in the 1930s, which ushered in several generations of Democratic Party dominance. Moreover, the slumping stock market and falling house prices reduced significantly the value of many Americans' assets and retirement funds. It is unsurprising that at the end of Bush's last year in office, according to Gallup's polling, about 80 per cent of Americans thought the economy was the most important problem facing the country, that about 90 per cent thought it a bad time to find a good job, and that not since Gallup started asked the question in the mid-1970s had so many Americans felt so pessimistic about their current financial situation.

Wilson (Chapter 10), like many economists, is unsure precisely how much Bush is to blame for the crisis which has its roots in the collapse of the sub-prime mortgage market, but argues convincingly that he made matters much worse by cutting taxes, borrowing heavily, running large deficits and failing to invest during good times; by deregulating the financial markets and failing to oversee risky new financial instruments; by rigidly pursuing free-market solutions; and by adopting a style of policymaking that discounted or ignored professional, independent expert advice and discouraged debate over alternative policy solutions.

The irony of the Bush administration's record on economic policy-making is that the eventual outcome was diametrically opposed to the original intention. Over the opposition of many recalcitrant members of his own party in Congress, Bush spent his last months in office overseeing the largest nationalisation programme in American history, as major banks, and mortgage and insurance companies came under

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government control or majority ownership, at huge cost to the taxpayer. Billions of dollars more were spent buying up toxic loans, injecting liquidity into the financial markets, and propping up ailing financial and industrial giants, including General Motors, Chrysler and Ford. The American people turned against big business, especially its overpaid executives whose remuneration packages and huge bonuses seemed to bear no relation to their own or their companies' performance. The collapse of some of America's great corporate institutions – Fannie Mae, Freddie Mac, Lehman Brothers, Merrill Lynch, AIG – was accompanied by the disintegration of the Washington consensus, the neo-liberal belief in the sanctity of markets and their mechanisms, which had increasingly dominated economic policymaking in the late twentieth and early twenty-first centuries. As Wilson notes, anyone who had suggested prior to 2008 that the United States would witness such a large-scale government intervention in the US economy and the breakdown of the prevailing free-market ideology would have been dismissed as a crank. That it happened on the watch and, to some extent, at the behest of President Bush is even more remarkable. Henry Paulson, Bush's treasury secretary, called such intervention "objectionable", but advocated it anyway in the absence of any realistic alternative. Clinton claimed the era of big government was over; Bush brought it back.

The economic crisis of Bush's last year in office was preceded by a series of failed attempts to reform public policy, most notably in the areas of Social Security and immigration. Waddan (Chapter 11) shows how the Bush administration badly miscalculated the prospects for reform, underestimating the institutional and structural barriers and overestimating its own persuasive talents. This failure early in the second term undermined the administration's political reputation and public prestige. Together with the federal government's wholly inadequate response, both perceived and real, to Hurricane Katrina in August 2005, the debacle over Social Security set the tone for Bush's remaining time in office. Katrina was particularly significant because it symbolised in one photograph – Bush staring down on New Orleans from Air Force One as he returned to Washington from his vacation – the president's alleged detachment from and disinterest in the plight of fellow Americans on the ground. It also symbolised for some their belief that the president was a man unable to empathise with the suffering of others, with people less fortunate than himself.

Remarkably, Bush did not respond to the dramatic diminution in his political capital by reigning in his legislative ambitions but, instead, pushed on with so-called “comprehensive” immigration reform. In a grand bargain, the status of up to ten million immigrants illegally resident in the United States would be “regularised” or “legalised” but the border would finally be closed to prevent the entry of any more. To its opponents, the most ferocious being his own previously loyal Republican lieutenants in the House of Representatives and social and cultural conservatives in the country at large, the reform was nothing less than an “amnesty” for lawbreakers. Bush genuinely believed that immigration was part of America’s great story, and a significant force for renewal, but this was not the reason he pursued liberal reform in the face of bewildered opposition from his base. Rather, the main impetus to immigration reform was that Bush and his political svengali, Karl Rove, calculated that it would engender an electoral realignment and allow the Republican Party to dominate American politics for at least a generation. That monumental legacy would, they thought, cement Bush’s place in history as a great Republican and a great president. The reality is likely to be very different, as we discuss in more detail in Chapter 16.

## 2. FIRST TERM SUCCESSES

The many significant failures of Bush’s second term are intriguing from both policy and political perspectives because they follow a number of very important successes in his first term. It is usual for presidents to do better in their first term, and the phenomenon of the second-term lame-duck president is well known. What is notable in George W. Bush’s case is the magnitude of the difference. The failures and problems of the second term outlined above contrast sharply against his first term successes, such as two of the three largest tax cuts in American history, the most important education reform in thirty-five years and the largest expansion of healthcare and most wide-ranging reorganisation of the federal bureaucracy in a generation (see Singh, Chapter 2; Parker, Chapter 12; Hurst, Chapter 7). Such dominance of the legislative agenda in domestic affairs is unusual because presidents often struggle against the institutional advantages of other actors and the established structures of power. Of course, Bush also dominated the agenda on foreign affairs, especially

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after the terrorist attacks on 11 September 2001, but his dominance in this area is less remarkable than in domestic matters.

Bush's domestic policy triumphs are especially remarkable in part because, as noted above, presidents often struggle to impose their agendas but also because the political environment looked particularly hostile when Bush was sworn in as president on 20 January 2001. Bush did inherit from Bill Clinton a Republican Congress, but he did nothing to enhance its majority during the 2000 cycle, and nor did its GOP members feel they owed their seats to him. Indeed, Bush's electoral coat-tails were actually negative, as the Republicans lost two seats in the House and five in the Senate, yielding a narrow majority in the lower chamber and a 50–50 tie in the upper. Thanks to Vice President Dick Cheney, the President of the Senate, and his deciding vote in the event of a tie, the Republicans gained control of the Senate with an effective majority of one. The situation was particularly problematic given that the majority party usually requires a supermajority (sixty votes) to push legislation to a vote in the Senate, and was made worse when Republican Senator Jim Jeffords (Vermont) resigned the party's whip, declared himself an independent and started to caucus with the Democrats, handing them formal control of the upper chamber. Another seeming impediment to future legislative success was that Bush could not claim, with any seriousness, a mandate for his agenda. He lost the popular vote to Al Gore by some 500,000 votes and sneaked a victory, the closest since 1876, in the electoral college only thanks to the US Supreme Court's controversial decision in *Bush v. Gore* (2000) to award him Florida's electoral college votes. He was in many people's and politicians' eyes an illegitimate or, at best, wounded president who would have to govern from the centre in a bipartisan fashion. That he campaigned as a "uniter, not a divider" and a "compassionate conservative", the right's answer to Clinton's "third way", suggested that he might. He did not.

Moreover, despite the unpromising political environment at the start of his presidency, the first term's significant legislative successes were accompanied by impressive electoral performances in 2002 and 2004. In contrast to most incumbent presidents, who are risk averse and do not want to be associated with electoral defeat, Bush campaigned hard for Republican candidates in the 2002 mid-term congressional elections, putting his authority and prestige on the line to enhance the party's majority in the House and win back the Senate.

On only three occasions in the twentieth century had the president's party won extra congressional seats, but the gamble paid off handsomely for Bush as Republicans took a further eight seats in the House and two in the Senate to retake control. The elections of 2004 were equally satisfying for Republicans. The congressional party again enhanced its majorities to thirty seats in the House and ten in the Senate – the first time in seventy years the incumbent president's party had done so in both chambers. President Bush fought off the challenge of Democratic Senator John Kerry and was re-elected on an improved popular and electoral college vote. Success in 2002 and 2004 helped convince Bush of the efficacy of his electoral and governing strategy, and thus to pursue it with renewed vigour in his second term. History indicates it was the wrong choice, as we explain below.

### 3. CAMPAIGNING TO GOVERN

The same strategy that had brought some impressive election victories would undermine the second half of his presidency; the same strategy that in his first term delivered many important policy successes during a national security crisis created the resentments, tensions and polarisation that precluded success in the second. That strategy was governing by campaigning. On its own, it would have been problematic, but combined with Bush's personal style and belief system, it would prove ruinous (see Singh, Chapter 2; Maltese, Chapter 14; Fullam and Gitelson, Chapter 15). Governing via a permanent campaign requires presidents to present and sell their legislative priorities directly to the American people who, in turn, directly or indirectly pressurise members of Congress to support their passage. Going public in this way is antithetical to the legislative strategies based on persuasion and bargaining long advocated by most respected presidential scholars, because it pressurises, even bullies, members of Congress to support the executive's position.

Another element to governing by campaigning is that it is polarising and frequently partisan. Public policy reform is a complex business because the world is a complex place, but the president's policy solutions must be simplified for an inattentive and ill-informed public. Other interested political actors will also boil down their arguments to readily communicated sound bites as each tries to sell them to the public. Once ideas are in the public domain and become associated with various actors, however, positions become entrenched,

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and bargaining and compromise become more difficult because shifting or abandoning publicly articulated positions could lead to a loss of reputation and prestige. Just as in an electoral campaign, no side will admit error or acknowledge that the other side may have a good idea. Indeed, positions are often adopted because they are different from, or in opposition to, the other party's or because they present the other party with awkward political decisions. Politics is thus polarised, its partisan nature exacerbated. Campaigning is adversarial while governing is best achieved via collaboration, and therefore the permanent campaign mitigates against effective governance.

Given these problems and the administration's limited political resources initially, it is perhaps surprising that the Bush administration decided to engage in a permanent campaign. It is perhaps even more surprising given that the administration sometimes adopted, at least early in Bush's presidency, a rival approach and often with considerable success. As Singh notes (Chapter 2), the president demonstrated during his first term that he was a relatively skilled congressional operator in terms of knowing which policy changes Congress was capable of delivering, and he could be charming, funny, charismatic and persuasive when meeting in private with members of Congress. Indeed, two historic reforms in education (the No Child Left Behind Act of 2001) and healthcare (the Medicare Modernization Act of 2003) were products of this bipartisan Bush (see Waddan, Chapter 11; Parker, Chapter 12). The permanent campaign and the partisan polarisation it wrought, then, were not inevitable but a choice the Bush administration made and one that would come to serve them poorly.

The decision to adopt the partisan strategy was probably influenced by four interlinked factors. First, despite the inherent tension between legislative bargaining and going public, all modern administrations and some political scientists believe that presidents must make their case directly to the people in an era in which Congress has atomised, interest groups proliferated and trust declined. Second, Bush was not unique in campaigning to govern but he did it more extensively than any previous president in part because the strategy fitted his personality and style. While he could be engaging and work in a bipartisan fashion as he demonstrated throughout his tenure as governor of Texas and early in his presidency, Bush liked to define himself as "the decider", a man who set the agenda making big decisions, holding steady to them and refusing to countenance doubt. This style lent itself to the simple certainties required by performance in the public arena.

Conversely, he was uncomfortable with policy detail and parsing options which, of course, are central to the alternative, bipartisan approach to lawmaking. Third, governing by campaigning appeared to work, and so was retained. For example, Bush's first significant policy triumph, the 2001 \$1.3 trillion tax cut, was the product of a "partisan budgetary strategy" argues Singh. Finally, and perhaps most importantly, the 9/11 terrorist attacks both increased the opportunity for, and enhanced the effectiveness of, governing by campaigning, at least in the short term. Crises centralise power vertically from the states to the federal government and horizontally from the legislature to the executive, and 9/11 was no different in its consequences. Subsequently, Bush deliberately made the war on terror the defining issue of his presidency because of the legislative and electoral advantages it could deliver for him specifically and Republicans generally. The security climate made opposing the president very difficult, even on issues only tangentially related to security. National security trumped all other cards and, of course, the administration worked very hard to make sure that it was defined and controlled by the White House and the Republican Party. Moreover, Bush was equally content to override states' rights arguments and impose the federal government's will when it suited the administration (Vile, Chapter 5). His was not an administration in the conservative, small-government tradition.

The Bush administration's permanent campaign was allied to a sophisticated, professional communications organisation and strategy (Maltese, Chapter 14) and a "fifty-plus-one" electoral and legislative strategy (Fullam and Gitelson, Chapter 15). The aim was to mobilise the party's base, especially culturally conservative Christian voters, to win elections (Ashbee, Chapter 13), and to maintain strong party discipline in Congress to win key votes. It was also allied to an arrogant, perhaps unconstitutional, exercise of executive power (Pfiffner, Chapter 3) that alienated many moderates in Congress. Denying "enemy combatants" in Guantanamo Bay the protection of the international laws of war, spying on American citizens without judicial oversight, and making war in Iraq without reference to expert testimony are a few of the many examples in the following chapters of the Bush administration's dismissive approach to the institutional restraints on the executive branch.

Bush's style and strategy engendered no reservoir of good will when events turned against him, especially when the might of the US armed



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forces failed to win the peace in Iraq and Afghanistan. Even the US Supreme Court, traditionally subservient to executive excesses during crisis or war and mute during Bush's first term, spoke out in the second term in support of the rights of enemy combatants, despite Bush having pushed the Court to the right with two new appointments (Long, Chapter 4). Internationally, too, Bush was shunned, invading Iraq without United Nations support and in the face of huge demonstrations by citizens around the world. Defense secretary Donald Rumsfeld antagonised many foreign leaders with his remarks about "old Europe", but his statement was emblematic of the divide between America and its traditional allies and of the administration's lack of concern about what others thought of it or wanted (Houghton, Chapter 8). In the realm of liberalising international trade, too, the administration largely failed to promote multilateral agreements. The alternative strategy of pursuing bilateral and regional agreements had the unhappy result – at least as far as the administration was concerned – of provoking increased congressional activity and resistance in the area (Chorev, Chapter 9).

In sum, the Bush administration achieved many significant successes during its first term, despite an ostensible lack of political capital, but the strategy responsible for most of these was itself the major cause of the second term's failures, of which there were many. What had appeared a strong, successful but polarising presidency unravelled as the permanent campaign malfunctioned as a governing strategy. Bush's presidency came to an ignoble end with the economy crashing and the country's military engagements unresolved. With Democrats taking control of the legislature and executive in 2009, earlier talk about a Republican electoral realignment and historic legacy looked foolish in retrospect. On his exit from office, the American public rated Bush harshly. It is possible that in the court of history his reputation will be revived – perhaps if his foreign adventures produce democratic and stable regimes or if his government's massive economic intervention provides the foundation for a solid recovery – just as Truman is today held in much higher esteem than when he left office. As we conclude in the final chapter of this volume, our best guess is that this is unlikely, with the first term's successes buried deep below the second term's failures in the nation's collective memory.