



The Ford and Carter Years

The Ford and Carter administrations attempt to remedy the nation's worst economic crisis in decades.

The Ford and Carter Years

Never elected president, Ford Travels a Rough Road

“A Ford, Not a Lincoln”

- September 1974, new president **Gerald R. Ford** pardons Nixon
- Tries to move country past Watergate; loses much public support

Ford's economic policies

Ford Tries to “Whip” Inflation

- Unsuccessfully asks public to cut back use of oil, gas, save energy
- Cuts government spending; urges higher interest to restrict credit
- “Tight money” policy triggers recession
- Continually battles Democratic Congress with own economic agenda; **vetoed over 50 bills**

Ford's Foreign Policy

Carrying Out Nixon's Foreign Policies: Détente and Realpolitik

- Keeps Kissinger, Ford continues negotiations with China, Soviet Union
- Signs Helsinki Accords—cooperation between Eastern, Western Europe

Ongoing Turmoil in Southeast Asia

- Vietnam cease-fire breaks down; Ford asks Congress for aid to South
- Congress refuses; South Vietnam surrenders in 1975
- Cambodia seizes U.S. merchant ship *Mayagüez*
- Ford uses big military response; 41 die to rescue 39, is criticized



Carter Enters the White House

Mr. Carter Goes to Washington

- **Jimmy Carter** promises to restore integrity to presidency
 - defeats Ford by narrow margin
- Has down-to-earth style; holds “fireside chats” on radio, TV
- Does not make deals with Congress; relies on Georgia advisers
- Both parties in Congress join to sink Carter budgets, major reforms

Carter's Domestic Agenda

Confronting the Energy Crisis

- Sees energy as most important crisis: Carter offers energy proposals; oil-, gas-producing states, auto makers resist
- **National Energy Act**—encourages conservation, U.S. energy sources
- National Energy Act, conservation cut foreign oil dependence

The Economic Crisis Worsens

- Violence in Middle East creates fuel shortage; OPEC raises prices
- Carter tries various methods, none work; gives “malaise” speech
- 1980 inflation 14%, standard of living drops; people lose confidence

Continued . . .



continued Carter's Domestic Agenda

A Changing Economy

- From 1950s automation, foreign competition reduce manufacturing jobs
- Service sector expands, higher paying jobs require education, skills

Carter and Civil Rights

- Carter hires more African Americans, women than previous presidents
- Many civil rights groups disappointed because few laws passed
- 1978 *Bakke* case, Supreme Court strikes affirmative action quotas
 - allows race as one factor in university admissions

A Human Rights Foreign Policy

Advancing Human Rights

- Carter's foreign policy promotes **human rights**—basic freedoms
- Cuts off aid to some, not all, allies that mistreat own citizens

Yielding the Panama Canal

- Panamanians resent having country split in two by foreign power
- 1977 treaty **gives control of canal to Panama** on Dec. 31, 1999
- Agreements improve relations between U.S., Latin America

The Collapse of Détente

- Carter's **insistence on human rights** strains relations with U.S.S.R.
- SALT II talks delayed; Carter, Brezhnev finally sign June 1979
- SALT II meets sharp opposition in Senate
- December, Soviets invade Afghanistan; Carter lets SALT II die



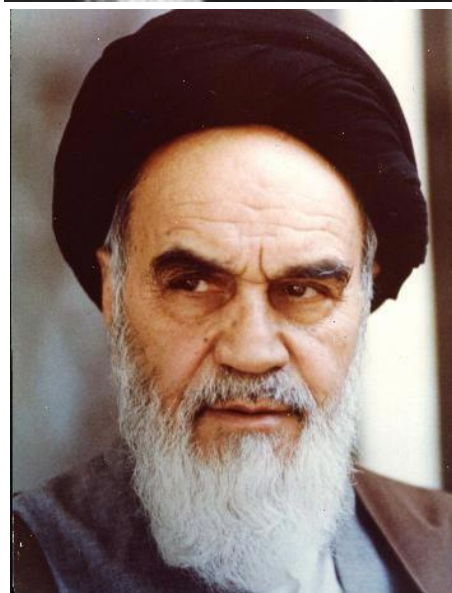
Triumph and Crisis in the Middle East

The Camp David Accords

- 1978 Carter hosts talks between Anwar el-Sadat, Menachem Begin
- **Camp David Accords** forge peace between Israel, Egypt:
 - Israel withdraws from Sinai Peninsula
 - Egypt recognizes Israel's right to exist

The Iran Hostage Crisis

- **Ayatollah Ruhollah Khomeini** leads overthrow of shah
 - establishes Islamic state
- Carter supports shah; allows him entry to U.S. for cancer treatment
- Students seize U.S. embassy, take 52 hostages; demand shah back
- Carter refuses; standoff ensues; intense secret negotiations follow
- Captives released Jan. 1981, shortly after Ronald Reagan sworn in



Clockwise from upper left, embassy personnel taken hostage; Time Magazine cover, Nov. '79; wreckage of failed rescue mission; Ayatollah Khomeini