THE UNITED STATES AS A WORLD POWER

ANY DOUBT about whether the world was headed toward war disappeared on September 1, 1939, when Nazi Germany invaded Poland. Great Britain and France immediately declared war on Germany, and World War II began. In the United States, strong isolationist sentiment persisted. The country remained formally neutral even though it tilted more and more toward Great Britain. Despite the tilt, the United States stayed out of the war for over two years after it had begun in Europe. This changed on December 7, 1941, when Japan bombed **Pearl Harbor,** a U.S. naval base in Hawaii. The next day, the United States declared war on Japan. A few days later, Germany and Italy declared war on the United States, and the United States responded in kind. The United States was then fully engaged in a global war, participating in the Grand Alliance of the United States, Britain, the Soviet Union, and several other allied nations against the "Axis" powers of Japan, Germany, and Italy.

Pearl Harbor
Naval base in Hawaii attacked by Japan on December 7, 1941, initiating U.S. entry into World War II.

This global conflict transformed the United States' role in the world. Before World War II, the United States was an essentially isolationist country with a sizeable power base that it rarely used. By the end of the war, the United States was the leader of the most powerful military coalition that the world had ever seen. What is more, the United States had the only major economy in the world that had not been decimated by war.

From Stand-Alone to Superpower: The Evolution of U.S. Foreign Policy

These realities forced the United States to reassess the principles that guided its foreign and military policy for the previous century and a half. Thrust into a position of world leadership by World War II and by its economic and military strength, the United States after the war played a major role in restructuring and reshaping global society. It led the Western world throughout the Cold War. The United States also is playing a major role in shaping the post–Cold War world that emerged at the end of the twentieth century and that is still being forged in the early twenty-first century, and is leading the international war against terrorism that began following the tragic events of September 11, 2001.

World War II and Its Aftermath: 1941–1947

After the United States entered World War II, it took a phenomenal industrial and military mobilization to secure victory. The war transformed American society, cost tens of billions of dollars, and cost the lives of more than 400,000 members of the American armed forces. The effort to defeat the Axis took over three and a half years and was punctuated by dozens of serious battles, often lasting weeks or months. The war ended in Europe on May 8, 1945 (V-E Day), with the Allies bruised but victorious. The war against Japan ended after the United States dropped two atomic bombs on Japan, one on Hiroshima on August 6, 1945, and the other on Nagasaki three days later. On August 15, Japan surrendered, and the Allies celebrated V-J Day and the end to World War II. The birth of the nuclear age made it all the more important that, in building the postwar world, the victorious powers somehow find a way to keep the peace.

United Nations
An international governmental organization created shortly before the end of World War II to guarantee the security of nations and to promote global economic, physical, and social well-being.

international governmental organization (IGO)
An organization created by the governments of at least two and often many countries that operates internationally with the objectives of achieving the purposes that the member countries agree upon.

One way to do this, many believed, was to create an improved version of the League of Nations, this time with the participation of all of the world's great powers, including the United States. Thus, even before the war ended, the United States and fifty-one of its allies met in San Francisco to create the **United Nations,** an **international governmental organization (IGO),** whose purpose was to guarantee the security of

member states when attacked and to promote economic, physical, and social well-being around the world. Successful operations of the UN depended on the postwar cooperation of the Big Three of the Grand Alliance (the United States, Britain, and the Soviet Union) as well as China and France, which had the five permanent seats on the new UN Security Council. The UN, like all IGOs, was created by its member states to achieve the international purposes that they designate.[7]

Believing that the collapse of international trade in the 1930s created conditions that led to the rise of dictators and the beginning of World War II, the victorious powers also created new international economic organizations to encourage trade. Meeting in Bretton Woods, New Hampshire, before the war ended, the victorious powers finalized the **Bretton Woods Agreement.**[8] This agreement established the **International Monetary Fund (IMF)** to stabilize exchange rates among major currencies and set their value in terms of the dollar and gold, and the International Bank for Reconstruction and Development, also called the **World Bank,** tasked to help the world recover economically from the destruction of World War II.

The allies also hoped to create an international trade organization at Bretton Woods, but the U.S. Congress feared that the creation of such an organization would lead to international control over the U.S. economy. Given this fear, the most that could be achieved was a **General Agreement on Tariffs and Trade (GATT),** a set of agreements that over the years led to negotiations that substantially reduced tariffs. GATT remained in place until the World Trade Organization was created in 1995. The IMF and the World Bank continue to operate today.

The U.S. intention to participate in these institutions indicated a shift in U.S. attitudes regarding isolationism and unilateralism. To participate in these institutions, the United States had to be less isolationist and less unilateralist than before the war. Gradually, then, the country moved toward internationalism and **multilateralism**—a belief that foreign and military policy actions should be taken in cooperation with other states.

Bretton Woods Agreement
International financial agreement signed shortly before the end of World War II that created the World Bank and the International Monetary Fund.

International Monetary Fund (IMF)
International governmental organization created shortly before the end of World War II to stabilize international financial relations through fixed monetary exchange rates.

World Bank
International governmental organization created shortly before the end of World War II to provide loans for large economic development projects.

General Agreement on Tariffs and Trade (GATT)
Devised shortly after World War II as an interim agreement until a World Trade Organization could be created to help lower tariffs and increase trade.

multilateralism
The U.S. foreign policy that actions should be taken in cooperation with other states after consultation.

The Cold War and Containment: 1947–1960

Although the United States and the Soviet Union were allies during World War II, cooperation between them was strained. After the war, the situation deteriorated as Soviets imposed communist governments in Eastern Europe and supported revolutionary movements and left-wing political parties throughout the world. Many Americans concluded that the Soviet Union was bent on dominating the world. How should the United States respond?

This question was answered early in 1947 when both Greece and Turkey were threatened with communist takeover. President Harry Truman addressed Congress, presenting the **Truman Doctrine:** "I believe that it must be the policy of the United States to support peoples who are resisting attempted subjugation by armed minorities or by outside pressures."[9] Under the Truman Doctrine, the United States provided economic and military aid to Greece and Turkey. A few weeks later, U.S. Secretary of State George Marshall proposed that the United States provide economic assistance to France, Germany, Great Britain, and other European states struggling to rebuild their economies. Congress supported the idea. In its first year of operation (1948–1949), the **Marshall Plan** provided more than $6 billion to European states to rebuild.[10] The Marshall Plan provided the basis for European economic recovery, which prevented communist parties from winning elections throughout Western Europe.

The Truman Doctrine and the Marshall Plan were the linchpins of the strategy of **containment.** As postulated by diplomat George Kennan, who like many Americans believed that the Soviet Union wanted to dominate the world, the United States would apply "counterforce" wherever the Soviet Union applied pressure: "The Soviet pressure against the free institutions of the Western World is something that can be contained by the adroit and vigilant application of counterforce at a series of constantly shifting geographical and political points, corresponding to the shifts and maneuvers of Soviet policy."[11]

Truman Doctrine
U.S. policy initiated in 1947 of providing economic assistance and military aid to countries fighting against communist revolutions or political pressure.

Marshall Plan
European Recovery Program, named after Secretary of State George C. Marshall, of extensive U.S. aid to Western Europe after World War II.

containment
Strategy to oppose expansion of Soviet power, particularly in Western Europe and East Asia, with military power, economic assistance, and political influence.

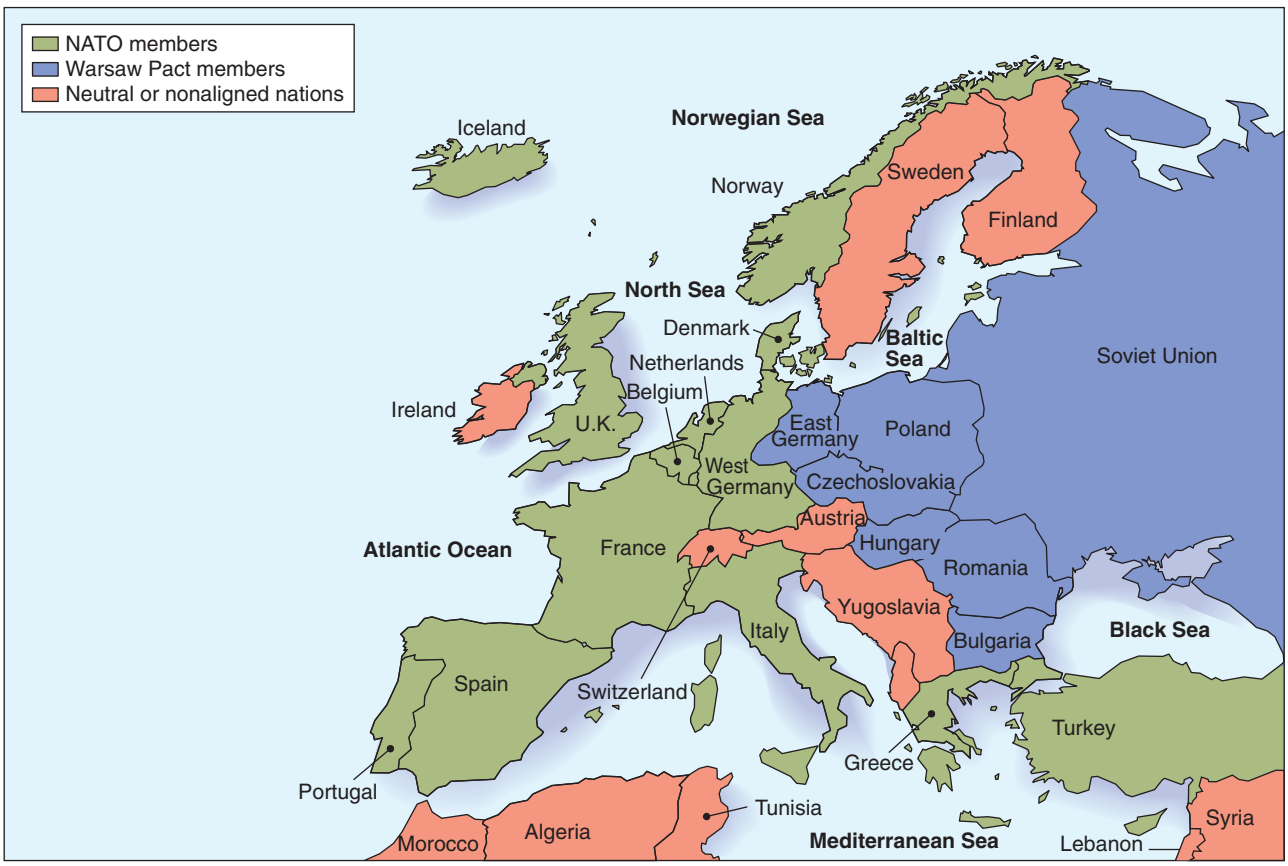
North Atlantic Treaty Organization (NATO)
The first peacetime military treaty the United States joined, NATO is a regional political and military organization created in 1950.

Containment had other key elements. In 1949, the United States and eleven other countries signed the North Atlantic Treaty, which stated that all signatories considered an attack against one an attack against all.[12] This was the first occasion when the United States joined a political and military alliance during peacetime. The following year, treaty members created the **North Atlantic Treaty Organization (NATO),** a defense alliance to implement the treaty. Figure 19.1 depicts the strategic alliances of NATO and the Warsaw Pact, a defensive group the Soviets established with their Eastern European satellite countries to counter NATO. The United States would eventually dispatch hundreds of thousands of troops to Europe to deter any potential Soviet attack.

In 1950, North Korea invaded South Korea. Taken by surprise, the United States sent troops under UN auspices to defend South Korea. When U.S. forces arrived, they pushed back the North Korean forces, but the United States then changed its war aims from defending South Korea (containment) to unifying Korea (liberation). When U.S. forces drove north and approached Korea's border with China, however, China entered the war and pushed the Americans back. Fighting dragged on indecisively for months. Finally, the warring parties reached a truce in 1953, dividing Korea almost exactly where it had been divided before North Korea's invasion. It remains divided today, with U.S. troops deployed along the border to protect South Korea.

Starting in the 1950s, much of the U.S. military strategy was based on nuclear weapons and deterrence. Deterrence was the theory that, if a potential enemy wanted

FIGURE 19.1 The Cold War in Europe
In 1949, the United States sponsored the creation of the North Atlantic Treaty Organization (NATO), an alliance of European nations, the United States, and Canada. West Germany was formally admitted to NATO membership in May 1955. A few days later, the Soviet Union and seven other communist nations established a rival alliance, the Warsaw Pact. ■



to attack but knew that it would in turn be attacked, it would not attack. During the 1950s and 1960s, as the United States and the Soviet Union developed large nuclear arsenals, a new version of deterrence developed called mutual assured destruction (MAD). Under MAD, both the United States and the Soviet Union were deterred from launching a nuclear attack because each knew that if they attacked first, the other would still have enough nuclear weapons remaining to destroy the attacker as a functioning society. U.S. President Dwight Eisenhower and Soviet leader Nikita Khrushchev held summit meetings in the 1950s to address their differences, but tensions often flared between the two superpowers.

Photo courtesy: National Archives and Records Administration

■ During much of the Cold War, the United States and the Soviet Union carried on testing of nuclear weapons. The rapid expansion of nuclear arsenals resulted in a stalemate position known as mutually assured destruction (MAD), whereby a first strike by either superpower would result in a devastating counterstrike.

Throughout the 1950s and into the 1960s, the world seemed divided into two camps, one led by the United States and the other by the Soviet Union. Containment was the core U.S. foreign and military policy. With some modifications, it remained so until the Cold War ended. Meanwhile, moralism and pragmatism remained key principles of U.S. foreign and military policy. Most Americans despised communism as dangerous and dictatorial. Most accepted that containment required the United States to adopt pragmatic policies such as supporting authoritarian governments that opposed communism. Isolationism and unilateralism had been discarded as principles of foreign and military policy. While some Americans called for their return, most accepted internationalism and multilateralism.

Containment, Cuba, and Vietnam: 1961–1969

When John F. Kennedy became president in 1961, he brought a sense of optimism and activism to the United States that captivated many Americans. "Ask not what your country can do for you," Kennedy urged Americans in his inaugural address, "but what you can do for your country."

In foreign and military policy, containing the Soviet Union while at the same time establishing cordial relations with it to lessen the peril of nuclear war was high on the agenda. Thus, in 1961, Kennedy met Khrushchev in Vienna. The meeting did not go well. Both leaders returned to their respective countries and increased military spending. In 1962, the Soviet Union began to deploy intermediate-range ballistic missiles in Cuba, only ninety miles from Florida, leading to the **Cuban Missile Crisis.**[13] The United States reacted strongly, placing a naval blockade around Cuba and warning the Soviet Union to withdraw the missiles or suffer the consequences. After several days during which the world was closer to nuclear war than it had ever been, Khrushchev backed down and withdrew the missiles. The world breathed a sigh of relief.

Cuban Missile Crisis
The 1962 confrontation that nearly escalated into war between the United States and the Soviet Union over Soviet deployment of medium-range ballistic missiles in Cuba.

The Cuban Missile Crisis led to another period of improved U.S.-Soviet relations. During the crisis, the United States and the Soviet Union had marched to the edge of nuclear war, and neither liked what they had seen. Thus, in 1963, the two superpowers concluded a partial nuclear test ban treaty and installed a "hot line" between Washington and Moscow to allow the leaders of the two countries to talk directly during crises.

The Cuban Missile Crisis confirmed the need to contain the Soviet Union. The Soviet Union was an expansionist power, most Americans believed, as shown by the

Simulation
You Are President John F. Kennedy

missile crisis. Despite its dangers, containment was the correct strategy, and the United States remained the moral defender of liberty and justice, acting pragmatically but always with restraint to prevent communist expansion. Few questioned the morality of containment, the necessity for pragmatism, or the need for internationalism and American-led multilateralism.

Vietnam War
Between 1965 and 1973, the United States deployed up to 500,000 troops to Vietnam to try to prevent North Vietnam from taking over South Vietnam; the effort failed and was extremely divisive within the United States.

Then came the **Vietnam War.**[14] The United States sought to contain communism from spreading from North Vietnam into South Vietnam starting in the 1950s, but it was in the mid-1960s that U.S. bombing and ground operations began, and they escalated quickly. While many in South Vietnam were grateful for U.S. assistance, others were actively supporting the communists. The United States became embroiled in a civil war in which it was difficult to determine friend from foe. Eventually, the U.S. presence in Vietnam grew to more than 500,000 troops, 58,000 of whom were killed. As deaths mounted and costs grew, many Americans asked questions they had rarely asked before. Was the United States on the side of justice in Vietnam, or had it only replaced France there as a colonial power? Was the United States pursuing an honorable objective with dishonorable means? How much killing and how great a cost would the United States bear to prevent the expansion of communism? Was communism still the enemy it had been? Increasingly, U.S. citizens became less persuaded that their mission in Vietnam was moral or that communism was dangerous. In addition, the realization that minorities had been suppressed and exploited within the United States further challenged the legitimacy of a moral crusade against communism. By the end of the 1960s, Americans were not as sure of their moral superiority as they had been, nor were they sure that containment was the proper strategy on which to base their foreign and military policy. President Lyndon Johnson, who had presided over the massive U.S. military escalation in Vietnam, became so unpopular by 1968 that he chose not to run for reelection.

Détente and Human Rights: 1969–1981

When Richard M. Nixon was inaugurated as president in 1969, he declared it was time to move from "an era of confrontation" to "an era of negotiation" in relations with the Soviet Union. Recognizing that nuclear war would destroy life as it existed, searching for

Photo courtesy: Bachman/The Image Works

■ Many Americans continue to visit the Vietnam War Memorial in Washington, D.C., to grieve for those in the U.S. military who gave their lives during the conflict in Southeast Asia.

a way to exit Vietnam, and trying to improve East–West relations without conceding international leadership or renouncing containment, Nixon undertook policies that began this transformation. The improvement in U.S.-Soviet relations was called **détente.**[15]

détente
The relaxation of tensions between the United States and the Soviet Union that occurred during the 1970s.

As Nixon calculated how to achieve these objectives, some criticized his approach as cynical. Emphasizing pragmatism to the virtual exclusion of moralism, Nixon's approach reminded many of old-style European power politics that the United States had rejected since its earliest days. Critics pointed to the **Nixon Doctrine**—that the United States would provide military aid to countries but not do the fighting for them—as evidence of this cynicism. Under the Nixon Doctrine, the United States expanded military aid to South Vietnam and accelerated bombing even as negotiations for American withdrawal proceeded. To many, this showed that Nixon ignored morality. Others supported Nixon's approach, arguing that it would get the United States out of Vietnam, open relations with China, and improve relations with the Soviet Union.

Nixon Doctrine
The policy implemented at the end of the Vietnam War that the United States would provide arms and military equipment to countries but not do the fighting for them.

The changed nature of U.S.-Soviet relations brought about by détente was best illustrated by the frequency of summit meetings. From 1972 to 1979, American and Soviet leaders met six times, but détente was more than summitry. It also included increased trade, arms control agreements such as the Strategic Arms Limitation Treaty and the Anti-Ballistic Missile Treaty, and cultural exchanges. Détente improved East–West relations in Europe as well. For example, the heads of government of almost every nation in Europe and North America attended a meeting in Helsinki, Finland, in 1975.

When in 1977 Jimmy Carter became president, he too intended to pursue détente. However, he rejected Nixon's foreign policy cynicism. Carter instead emphasized **human rights,** that is, the protection of people's basic freedoms and needs. This found a sympathetic ear among many Americans. Once again, they believed, the United States would emphasize morality in foreign policy. Some Americans wondered, however, if Carter's emphasis on human rights was misdirected and was weakening the United States.

human rights
The belief that human beings have inalienable rights such as freedom of speech and freedom of religion.

Concern about American weakness grew in 1979 when radical Iranians, with the support of Iran's fundamentalist Islamic government, overran the U.S. embassy in Tehran and held the embassy staff captive. The **Iranian hostage crisis** eroded Carter's support in the United States. For over a year, the country was powerless to win the hostages' release. A failed rescue attempt added to American humiliation. (The hostages were not released until the day that Carter left office in 1981.)

Iranian hostage crisis
Crisis during the Carter administration when Iranian students with support of the Iranian government took over the U.S. embassy in Tehran, holding all the personnel hostage.

Détente finally died in 1979 when the Soviet Union invaded Afghanistan. Described by Carter as "the most serious strategic challenge since the Cold War began," the Soviet invasion led to an immediate increase in U.S. defense spending. Carter also adopted a more hard-line approach to foreign policy, announcing the **Carter Doctrine** under which the United States would fight to prevent any further Soviet expansion toward the Persian Gulf and the nearby oilfields.

Carter Doctrine
Policy announced after the 1979 Soviet invasion of Afghanistan that the Persian Gulf area was a vital U.S. interest and the United States would fight to maintain access to it.

Containment Revisited and Renewed: 1981–1989

The tense U.S.-Soviet relations during Jimmy Carter's last year as president became confrontational during Ronald Reagan's first term in office. Reagan accelerated the U.S. arms buildup and initiated an activist foreign policy in response to Soviet adventurism in developing countries. In addition, Reagan emphasized morality in American foreign policy and pushed to create an open international economic system.[16]

U.S-Soviet relations deteriorated rapidly. In 1983 alone, Reagan announced his "Star Wars" strategic defense plan; the Soviets destroyed a Korean airliner that flew into Soviet airspace; the United States invaded Grenada, a pro-Soviet state, and stepped up support for the Contras, an insurgency attempting to overthrow the pro-Soviet Sandinista government in Nicaragua; the Soviets used carpet bombing and chemical warfare in Afghanistan; and NATO deployed intermediate-range ballistic missiles in Europe, leading to a Soviet walkout from arms talks in Geneva. In superpower relations, 1983 was not a good year.

Reagan Doctrine
Policy that the United States would provide military assistance to anti-communist groups fighting against pro-Soviet governments.

But, in 1984, relations improved as the United States and the Soviet Union upgraded the hotline and agreed to expand arms-control talks. Most importantly, the rhetoric from both capitals deescalated. What happened? First, the 1984 U.S. presidential election constrained U.S. rhetoric. Although most Americans supported the arms buildup, they were concerned about confrontation with the Soviets. Thus Reagan moderated his statements. Second, U.S. foreign and military policy initiatives had an impact on Moscow as, in addition to its arms buildup, the United States implemented the **Reagan Doctrine,** under which the United States provided arms to anti-Soviet movements fighting pro-Soviet governments in Afghanistan, Angola, Mozambique, and Nicaragua. These programs increased the cost of Soviet involvement there and led Soviet leaders to rethink their foreign policy. Finally, the Soviet Union had serious internal problems. Its economy was performing poorly and it had a leadership crisis, with three Soviet leaders dying between 1982 and 1985. These problems had to be addressed. To do this, the Soviet Union needed a less confrontational relationship with the United States.

Recognizing this, Mikhail Gorbachev worked with Reagan to improve relations after Gorbachev became the Soviet leader in 1985. Even before Gorbachev's reforms took hold, Gorbachev and Reagan laid the groundwork for a transformation in relations.[17] At the third of five summit meetings, the two leaders signed an agreement to destroy all intermediate nuclear forces. Gorbachev introduced reforms in domestic, foreign, and military policies that transformed the Soviet Union and U.S.-Soviet relations. Although the reforms were intended to address the serious problems that the Soviet Union faced, they eventually led to the end of the Cold War and the demise of the Soviet Union.

Operation Desert Storm
The 1991 American-led attack against Iraq to expel Iraqi forces from Kuwait.

Searching for a New International Order: 1989–2001

George Bush assumed the United States presidency in 1989 pledging to continue Reagan's foreign policy directions. However, the pace and scope of change in Eastern Europe and the Soviet Union raised questions about the entire direction of U.S. foreign policy. The first question came from Eastern Europe. In 1989, the people of many Eastern European states revolted against their governments. During previous rebellions, Soviet troops stationed in Eastern Europe subdued the rebellions. This time, Gorbachev ordered Soviet troops to remain in their barracks. The rebellions continued, and in every communist country in Eastern Europe, the government fell.

■ After several tense years in U.S.-Soviet relations, the emergence of Mikhail Gorbachev as Soviet premier in 1985 led to the adoption of stunning reforms in the Soviet Union and a series of increasingly friendly summit meetings between Gorbachev and U.S. President Ronald Reagan.

Photo courtesy: Dennis Brack

The United States was not quite sure how to respond. At first, Bush proceeded cautiously. As it became clear that the revolutions were irreversible, the United States and other democratic states helped the new noncommunist Eastern European states try to establish democratic political and free market economic systems. Remarkably, in a matter of months, the so-called "Iron Curtain" in Europe had collapsed, with almost no serious bloodshed.

The 1990 Iraqi invasion of Kuwait produced a new challenge. The Bush administration believed that the invasion threatened vital U.S. interests, and the United Nations passed a resolution authorizing the use of force to expel Iraq from Kuwait. Shortly after Congress voted to support the use of military force against Iraq, the Persian Gulf War began in January 1991. In an attack called **Operation Desert Storm,** U.S. and allied forces defeated Iraq in a matter of

Photo courtesy: Hazir Reka/TimePix

■ A U.S. soldier in the Kosovo peacekeeping force watches ballot boxes outside a counting center for Kosovo elections held in November 2001, hailed as the first free and democratic general elections in the history of the Yugoslav province.

weeks. The objective—expelling Iraq from Kuwait—had been achieved with few U.S. casualties.[18]

Meanwhile, startling events were unfolding in the Soviet Union. Under Gorbachev, the Soviet Union posed less and less of a threat as the United States and USSR forged an increasingly close relationship. Weakened by a failed coup attempt against Gorbachev in the summer of 1991, its economy in shambles, and torn by internal dissent and the desires of nationalities for independence, the Soviet Union collapsed.[19] The Cold War was over, as was the need for containment. Once again Americans asked questions: What would U.S. strategy now be? With the Cold War over, should the United States cut defense spending, and if so, how much? How much aid should the United States send to its former enemy to help it survive its collapse? What would the new international order be?

By 1993, the United States had a multifaceted foreign and military policy agenda. While a need for military forces remained, it was not clear when they should be used. For example, in Somalia in 1992 and 1993, the United States acting under UN auspices used military force to try to restore order and distribute food. Conversely, in the former Yugoslavia, neither the United States nor any other country at first intervened to stop Serbia's ethnic cleansing campaign against Bosnian Muslims.

This was the complex world that Bill Clinton faced when he assumed the presidency in 1993. Defining the American role in this world presented a challenge. Clinton's agenda centered on implementing engagement and enlargement, shaping new international economic relationships, deciding when U.S. armed forces should be used overseas, and puzzling over what role the United States should play in the post–Cold War world. **Engagement** meant that the United States would not retreat into isolationism as it did after World War I and for a short time after World War II. Engagement implied that the United States relied on negotiations and cooperation rather than confrontation and conflict, although it would use force when necessary. **Enlargement** meant that the United States would promote democracy, open markets, and other Western political, economic, and social values. In practice, engagement and enlargement led to the implementation of the Partnership for Peace

engagement
Policy implemented during the Clinton administration that the United States would remain actively involved in foreign affairs.

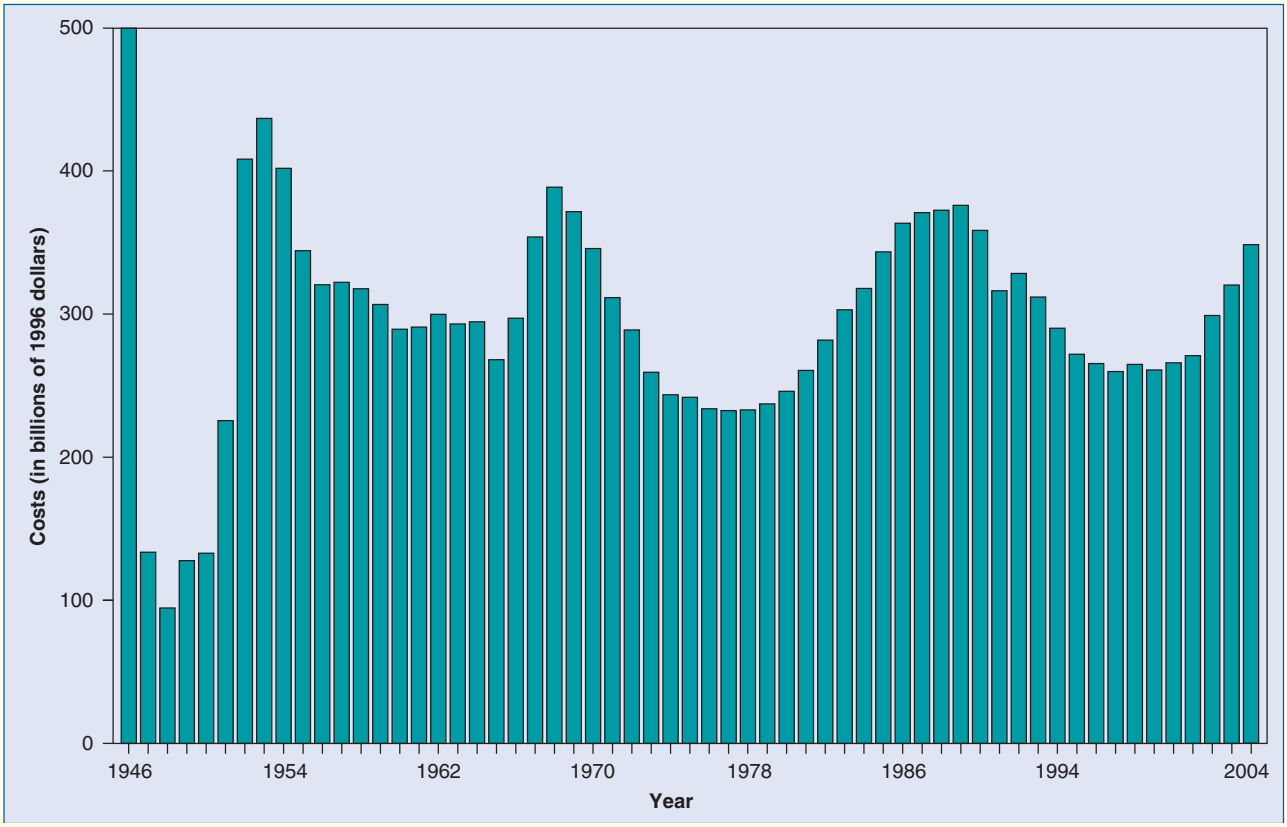
enlargement
Policy implemented during the Clinton administration that the United States would actively promote the expansion of democracy and free markets throughout the world.

Analyzing Visuals

U.S. Defense Spending

Since World War II, U.S. defense spending has risen and fallen, mirroring the prevailing state of tension and conflict in world affairs. Driven by World War II and its aftermath, U.S. defense expenditures totaled nearly $1 trillion in 1945 and about half that in 1946. By 1947, the United States had begun to enjoy the dividends of peace as defense spending sunk to lower levels.

As U.S.-Soviet tensions began to escalate in the late 1940s, defense spending rose. More spending was driven by the 1951–1954 Korean War. Throughout the Cold War until the early 1990s when the Soviet Union broke up, U.S. defense spending fluctuated widely, following the rise and fall of tensions in U.S.-Soviet relations detailed in this chapter. Examine the bar graph, which shows the U.S. defense expenditures in billions of constant 1996 dollars, and answer the following critical thinking questions: What trends do you observe in defense spending during the 1960s and 1970s? What factors might explain these trends? What happened to defense spending in the last year of the Carter administration and during the Reagan presidency (see Appendix IV for the dates of their terms)? Why? After the Cold War ended in the early 1990s, U.S. defense spending declined but remained surprisingly high. Why? What trend do you see in defense spending in the twenty-first century? What factors might explain this trend?



Note: Figures for 2002 and after do not include spending for Department of Homeland Security.

Sources: Department of Defense, Center for Defense Information, Congressional Budget Office.

North American Free Trade Agreement (NAFTA)
Agreement that promotes free movement of goods and services among Canada, Mexico, and the United States.

program with former communist states in Eastern Europe and the former Soviet Union and the expansion of NATO.

International economic issues were one focus of Clinton's activities. With help from Republicans, he guided the **North American Free Trade Agreement (NAFTA)** into law, establishing the free flow of goods among Canada, Mexico, and the United

States. The United States under Clinton also played a major role in initiating two other major free trade areas: the Free Trade Area of the Americas and the Asia-Pacific Economic Cooperation agreement, as well as creating the **World Trade Organization (WTO),** charged with overseeing world trade, judging trade disputes, and lowering tariffs.[20]

World Trade Organization (WTO)
International governmental organization created in 1995 that manages multilateral negotiations to reduce barriers to trade and settle trade disputes.

Deciding when to use U.S. armed forces overseas was a vexing problem. As we have seen, from the end of World War II to the collapse of the Soviet Union, U.S. military intervention was usually tied to containing communism. With the Soviet Union gone, this easy benchmark for deciding when to intervene no longer existed. Thus, the Clinton administration had to clarify when and under what conditions the United States would intervene. In short order, crises developed in Somalia, Bosnia, North Korea, Rwanda, Haiti, Iraq, and Kosovo. Each crisis was different, and each had potential for armed U.S. intervention. The United States intervened militarily in Somalia, Bosnia, Haiti, Iraq, and Kosovo, but not in North Korea or Rwanda, always in different ways and usually with varied results. No pattern was evident about the use of U.S. military force overseas in these crises. In each case, different situations dictated different responses. This changed after the 9/11 terrorist attacks.

Before examining the foreign and defense policies of President George W. Bush, the fight against terrorism, and the international challenges facing the United States in the twenty-first century, we turn to a discussion of how foreign policy is made and describe the major players involved.