

Resurgence of Conservatism


1980–1992

SECTION 1 The New Conservatism

SECTION 2 The Reagan Years

SECTION 3 Life in the 1980s

SECTION 4 The End of the Cold War



President Ronald Reagan, his wife Nancy, Vice-President George H.W. Bush, and his wife Barbara at Reagan's Second Inauguration.

Carter
1977–1981



- 1979**
- Jerry Falwell's "Moral Majority" movement begins

1981

- Launch of *Columbia*, first space shuttle
- American hostages released in Iran



Reagan
1981–1989



1983

- Reagan announces the Star Wars program
- U.S. Marine barracks bombed in Lebanon

U.S. PRESIDENTS

U.S. EVENTS

WORLD EVENTS

1979

1979

- Iranian revolution brings down Shah
- Soviets invade Afghanistan

1982

1980

- War begins between Iran and Iraq

1985



1985

- Mikhail Gorbachev becomes leader of Soviet Union

MAKING CONNECTIONS

Are There Cycles in American Politics?

After several decades where progressive and liberal ideas dominated American politics, conservatism began making a comeback in the 1970s, and in 1980 voters elected the conservative Ronald Reagan president. Reagan's commitment to less government regulation, a stronger military, and uncompromising anticommunism seemed to meet voters' concerns.

- *Why do you think conservative ideas appealed to more Americans in the 1980s?*
- *How do you think conservative ideas have changed society?*



1986

- Iran-Contra scandal enters the news

1987

- INF Treaty between U.S. and USSR

1988

- More than 35,000 cases of AIDS diagnosed for the year

G. Bush
1989–1993



1991

- Persian Gulf War occurs between Iraq and UN coalition

1988

1991

1989

- Tiananmen Square protest in China
- Communist governments in Eastern Europe collapse

1990

- Germany reunites as one nation

1991

- Soviet Union dissolves

FOLDABLES™

Analyzing Information Create a Folded Chart Foldable to organize information about the government under Ronald Reagan. List domestic and foreign policy for three eras: before the Reagan era, the Reagan administration, and the post-Reagan years.

	The Reagan Revolution	Before Reagan	Reagan Era	After Reagan
Domestic Policy				
Foreign Policy				

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The New Conservatism

Guide to Reading

Big Ideas

Economics and Society High taxes as well as economic and moral concerns led the country toward a new conservatism.

Content Vocabulary

- liberal (p. 740)
- conservative (p. 740)
- "televangelist" (p. 745)

Academic Vocabulary

- indicate (p. 745)
- stability (p. 745)

People and Events to Identify

- William F. Buckley (p. 743)
- Sunbelt (p. 743)
- Billy Graham (p. 745)
- Jerry Falwell (p. 745)
- "Moral Majority" (p. 745)

Reading Strategy

Taking Notes Use the major headings of this section to outline information about the rise of the new conservatism in the United States.

The New Conservatism
I. Liberalism and Conservatism
A.
B.
II.
A.

By the 1980s, new levels of discontent with government and society had left many Americans concerned about the direction of the nation. Some began to call for a return to more conservative approaches and values.

Liberalism and Conservatism

MAIN Idea Conservatives and liberals disagreed on the role of government.

HISTORY AND YOU Do you consider yourself liberal or conservative? Why? Read on to learn more about conservative and liberal ideas of government.

Midge Decter, a New Yorker and a writer for the conservative publication *Commentary*, was appalled at the violence that hit her city on a hot July night in 1977. On the night of July 13, the power failed in New York City. The blackout left millions of people in darkness, and looting and arson rocked the city. City officials and the media blamed the lawlessness on the anger and despair of youth in neglected areas. Decter disagreed:

PRIMARY SOURCE

"[T]hose young men went on their spree of looting because they had been given permission to do so . . . by all the papers and magazines, movies and documentaries—all the outlets for the purveying of enlightened liberal attitude and progressive liberal policy—which had for years and years been proclaiming that race and poverty were sufficient excuses for lawlessness. . . ."

—quoted in *Commentary*, September 1977

Midge Decter's article blaming liberalism for the New York riots illustrates one side of a debate in American politics that continues to the present day. On one side are people who call themselves **liberals**; on the other side are those who identify themselves as **conservatives**. Liberal ideas had dominated American politics in the 1960s, but conservative ideas regained significant support in the 1970s, and in 1980 Ronald Reagan, a strong conservative, was elected president.

Liberalism

In American politics today, people who call themselves liberals believe several basic ideas. In general, liberals believe that the government should regulate the economy to protect people from the

Liberalism vs. Conservatism



▲ Conservatives believe the liberal concern with achieving social equality and alleviating poverty is often taken to excess. They also disapprove of the idea of using the power of government to redistribute wealth from one group to another, preferring that the free market determine the distribution of wealth.



▲ Liberals believe that the conservative concern with keeping taxes low comes at the expense of other social needs and that conservatives who want low taxes are uncaring when it comes to helping the less fortunate.

Analyzing VISUALS

- 1. Interpreting** In the cartoon on the left, what is the artist implying about Democratic policies?
- 2. Identifying** In the cartoon on the right, what criticisms of tax breaks does the artist illustrate?

power of large corporations and wealthy elites. Liberals also believe that the government, particularly the federal government, should play an active role in helping disadvantaged Americans, partly through social programs and partly by putting more of society's tax burden on wealthier people.

Although liberals favor government intervention in the economy, they are suspicious of any attempt by the government to regulate social behavior. They are strong supporters of free speech and privacy, and are opposed to the government supporting or endorsing religious beliefs. They believe that a diverse society made up of different races, cultures, and ethnic groups will be more creative and energetic.

Liberals often support higher taxes on the wealthy, partly because they believe that those with greater assets should shoulder more of the costs of government and partly because it allows the government to redistribute wealth through government programs and thereby make society more equal.

Conservatism

Unlike liberals, conservatives distrust the power of government. They believe governmental power should be divided into different branches and split between the state and federal levels to limit its ability to intrude into people's lives.

Conservatives believe that when government regulates the economy, it makes the economy less efficient, resulting in less wealth and more poverty. They believe that free enterprise is the best economic system, and argue that if people and businesses are free to make their own economic choices, there will be more wealth and a higher standard of living for everyone.

For this reason, conservatives generally oppose high taxes and government programs that transfer wealth from the rich to those who are less wealthy. They believe that taxes and government programs discourage investment, take away people's incentive to work hard, and reduce the amount of freedom in society.

The more the government regulates the economy, conservatives argue, the more it will have to regulate every aspect of people's behavior. Ultimately, conservatives fear, the government will so restrict people's economic freedom that Americans will no longer be able to improve their standard of living and get ahead in life.

Many conservatives believe that religious faith is vitally important in sustaining society. They believe most social problems result from issues of morality and character—issues, they argue, that are best addressed through commitment to a religious faith and through the private efforts of churches, individuals, and communities to help those in need. Despite this general belief, conservatives do support the use of the governmental police powers to regulate social behavior in some instances.

Reading Check **Contrasting** How do liberal and conservative opinions about government differ?

Conservatism Revives

MAIN Idea Geographical regions tend to support either liberal or conservative ideas.

HISTORY AND YOU Politically, how would you define yourself or the region in which you live? Read on to learn about the growing political power of voters in the Southwest.

During the New Deal era of the 1930s, conservative ideas lost much of their influence in national politics. Following World War II, however, conservatism began to revive.

The Role of the Cold War

Support for conservative ideas began to revive for two major reasons, both related to the Cold War. First, the struggle against communism revived the debate about the role of the government in the economy. Some Americans believed that liberal economic ideas

NATIONAL GEOGRAPHIC The Rise of the Sunbelt, 1950–1980



Analyzing GEOGRAPHY

- Location** Which Sunbelt states had more than 8 million residents in 1980?
- Movement** What factors might explain why some Sunbelt states experienced strong growth while others did not?

Sunbelt states
 3,444,578 Population (1950)
 5,463,105 Population (1980)
 59% Percent growth

Population shown only for states having 50% or more population growth between 1950 and 1980

were slowly leading the United States toward communism and set out to stop this trend. They also thought the United States had failed to stop the spread of Soviet power because liberals did not fully understand the need for a strong anticommunist foreign policy.

At the same time, many Americans viewed the Cold War in religious terms. Communism rejects religion and emphasizes the material side of life. To Americans with a deep religious faith, the struggle against communism was a struggle between good and evil. Liberalism, which emphasizes economic welfare, gradually lost the support of many religious Americans, who increasingly turned to conservatism.

Conservatives Organize

In 1955 a young conservative named **William F. Buckley** founded a new magazine called *National Review*. Buckley's magazine helped to revive conservative ideas in the United States. Buckley debated in front of college students and appeared on radio and television shows, spreading conservative ideas to an even wider audience.

Within the Republican Party, conservatives, particularly young conservatives, began to demand a greater role in party decision-making. In 1960 some 90 young conservative leaders met at Buckley's family estate and founded Young Americans for Freedom (YAF), an independent conservative group, to push for their ideas and to support conservative candidates.

By 1964 the new conservative movement had achieved enough influence within the Republican Party to enable the conservative Barry Goldwater to win the nomination for president. To the dismay of the conservatives, however, President Johnson easily defeated Goldwater and won the election in a landslide.

The Rise of the Sunbelt

One of the problems facing conservatives in the 1950s and early 1960s was that their votes were split between the Republicans and the Democrats. Two regions of the country, the South and the West, were more conservative than other areas. Southern conservatives, however, usually voted for the Democrats, while

conservatives in the West voted Republican. This meant that the party that won the heavily populated Northeast would win the election. Since the Northeast strongly supported liberal ideas, both parties were pulled toward liberal policies.

This pattern began to change during World War II, when large numbers of Americans moved south and west to take jobs in the war factories. The movement to the South and West—together known as the **Sunbelt**—continued after the war. As the Sunbelt's economy expanded, Americans living in those regions began to view the federal government differently from people living in the Northeast.

Sunbelt Conservatism

Industry in the Northeast was in decline, leading to the region's nickname—the Rust Belt. This region had higher unemployment than any other, and its cities were congested and polluted. These problems prompted Americans in the Northeast to look to the government for programs and regulations that would help them solve their problems.

In contrast, many Americans in the Sunbelt opposed high taxes and federal regulations that might interfere with their region's growth. Many white Southerners were also angry with the Democrats for supporting civil rights, which they interpreted as an effort by the federal government to impose its policies on the South.

When Barry Goldwater argued in 1964 that the federal government was becoming too strong, many Southerners agreed. For the first time since Reconstruction, they began voting Republican in large numbers. Although Goldwater lost, he showed Republicans that the best way to attract Southern votes was to support conservative policies.

Americans living in the West also responded to conservative criticism of the federal government. Westerners were proud of their frontier heritage and spirit of "rugged individualism." They resented federal environmental regulations that limited ranching, controlled water use, and restricted the development of the region's natural resources. Western anger over such policies inspired the "Sagebrush Rebellion" of the early 1970s—a widespread protest led by conservatives against federal laws that they felt were hindering the region's development.

PRIMARY SOURCE

The Conservative Coalition

The new conservative coalition that emerged in the 1970s was made up of people from the South and West, particularly middle class suburban voters, evangelical Christians, and people concerned about high taxes and resisting the Soviet Union in the Cold War.



▲ Voters in the suburbs (top) and rural west (above) increasingly voted conservative in the 1980s.



▲ Evangelical Christians including supporters of Jerry Falwell (photo left corner) were a major force behind the conservative resurgence.

Analyzing VISUALS

1. **Inferring** What do you notice about the ethnicity of most people in the conservative coalition? Why do you think other groups were not as well represented?
2. **Speculating** What groups in the coalition would be most likely to leave it in the future? Why?

By 1980, the population of the Sunbelt had surpassed that of the Northeast. This gave the conservative regions of the country more electoral votes. With Southerners also shifting to the Republican Party, conservatives began to build a coalition that could elect a president.

Suburban Conservatism

As riots erupted and crime soared during the 1960s and 1970s, many Americans moved to suburbs to escape the chaos of the cities. Even there, however, they found the quiet middle-class lifestyle they desired to be in danger. The rapid inflation of the 1970s had caused the buying power of middle-class families to shrink while taxes remained high.

Many Americans resented the taxes they had to pay for New Deal and Great Society programs when they themselves were losing ground economically. In 1978 Howard Jarvis, a conservative activist, launched the first successful tax revolt in California with Proposition

13, a referendum on the state ballot that greatly reduced property taxes.

Soon afterward anti-tax movements appeared in other states, and tax cuts quickly became a national issue. For many Americans, the conservative idea that the government had become too big meant simply that taxes were too high. As conservatives began to call for tax cuts, the middle class flocked to their cause.

The Religious Right

While many Americans turned to conservatism for economic reasons, others were drawn to it because they feared that American society had lost touch with its traditional values. For many Americans of conservative religious faith, the events of the 1960s and 1970s were shocking. The Supreme Court decision in *Roe v. Wade*, which established that the right to have an abortion was protected by the Constitution, greatly concerned them. They were also critical of other Supreme Court decisions that limited

Section 1 REVIEW

prayer in public schools and expanded protections for people accused of crimes.

The feminist movement and the push for the Equal Rights Amendment (ERA) also upset some religious Americans because it seemed to represent an assault on the traditional family. Many religious conservatives were shocked by the behavior of some university students in the 1960s, whose contempt for authority seemed to **indicate** a general breakdown in American values and morality. These concerns helped expand the conservative cause into a mass movement.

Although religious conservatives included people of many faiths, the largest group was evangelical Protestants. Evangelicals believe that they are saved from their sins through conversion (which they refer to as being “born again”) and a personal commitment to follow Jesus Christ, whose death and resurrection reconciles them to God.

After World War II, a religious revival began in the United States among Protestant evangelicals. Protestant ministers, such as **Billy Graham** and Oral Roberts, built national followings. By the late 1970s, about 70 million Americans described themselves as “born again.” Protestant evangelicals owned their own newspapers, magazines, radio stations, and television networks.

Television in particular allowed evangelical ministers to reach a large nationwide audience. These “**televangelists**,” as they were soon called, included Marion “Pat” Robertson, who founded the Christian Broadcasting Network, and **Jerry Falwell**, who used his television show *The Old-Time Gospel Hour* to found a movement that he called the “**Moral Majority**.” Using television and mail campaigns, the Moral Majority built up a network of ministers to register new voters who backed conservative candidates and issues. Falwell later claimed to have registered 2 million new voters by 1980.

A New Coalition

By the end of the 1970s, a new conservative coalition of voters had begun to come together. Although the members of this coalition were concerned with many different issues, they were held together by a common belief that American society had somehow lost its way.

The Watergate scandal, high taxes, and special interest politics had undermined many Americans’ faith in their government. Rising unemployment, rapid inflation, and the energy crisis had shaken their confidence in the economy. Riots, crime, and drug abuse suggested that society itself was falling apart. The retreat from Vietnam, the hostage crisis in Iran, and the Soviet invasion of Afghanistan seemed to make the nation look weak and helpless internationally. Many Americans were tired of change and upheaval. They wanted **stability** and a return to what they remembered as a better time. For some, the new conservatism and its most prominent spokesperson, Ronald Reagan, offered hope to a nation in distress.

 **Reading Check** **Summarizing** Why did many Americans begin to support the conservative movement?

Vocabulary

1. **Explain** the significance of: liberal, conservative, William F. Buckley, Sunbelt, Billy Graham, “televangelist,” Jerry Falwell, “Moral Majority.”

Main Ideas

2. **Explaining** Why do liberals sometimes support higher taxes on the wealthy?
3. **Determining Cause and Effect** What was the cause of the Sagebrush Rebellion in the 1970s?

Critical Thinking

4. **Big Ideas** What kind of economy do conservatives want?
5. **Organizing** Use a graphic organizer similar to the one below to list conservative beliefs.

Conservative Beliefs

6. **Analyzing Visuals** Study the map of the Sunbelt on page 742. What impact would the migration patterns shown have on representation in the U.S. House of Representatives?

Writing About History

7. **Persuasive Writing** Many conservatives believe that “government that governs least, governs best.” Write a paragraph supporting or opposing this statement.

History  **ONLINE**

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The Reagan Years

Guide to Reading

Big Ideas

Trade, War, and Migration During the Cold War, President Reagan reinforced the idea that the United States had to take strong action to resist the spread of Communist influence abroad.

Content Vocabulary

- supply-side economics (p. 748)
- budget deficit (p. 749)
- "mutual assured destruction" (p. 753)

Academic Vocabulary

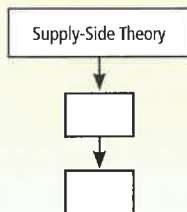
- confirmation (p. 750)
- visible (p. 751)

People and Events to Identify

- Reaganomics (p. 748)
- Iran-Contra scandal (p. 752)
- Mikhail Gorbachev (p. 753)

Reading Strategy

Organizing Complete a graphic organizer similar to the one below by filling in the major points of the supply-side theory of economics.



In 1980 Americans elected Ronald Reagan president. Reagan cut taxes, deregulated several industries, and appointed conservative justices. He began a massive military buildup that greatly increased the deficit and sent aid to insurgent groups fighting communism.

The Road to the White House

MAIN Idea President Reagan's experiences in Hollywood and as governor of California led to his successful campaign for the presidency.

HISTORY AND YOU How could a previous career as a movie star help someone get elected to public office? Read on to learn more about the way that President Reagan's background helped to make him an attractive presidential candidate.

In 1926, at age fifteen, Ronald Reagan earned \$15 a week working as a lifeguard on the Rock River in Illinois. Being a lifeguard, Reagan later wrote, taught him quite a bit about human nature:

PRIMARY SOURCE

"Lifeguarding provides one of the best vantage points in the world to learn about people. During my career at the park, I saved seventy-seven people. I guarantee you they needed saving—no lifeguard gets wet without good reason. . . . Not many thanked me, much less gave me a reward, and being a little money-hungry, I'd done a little daydreaming about this. They felt insulted. . . . I got to recognize that people hate to be saved. . . ."

—from *Where's the Rest of Me?*

The belief that people do not want to be saved by someone else was one of the ideas that Ronald Reagan took with him to the White House. It reflected his philosophy of self-reliance and independence.

Becoming a Conservative

Reagan grew up in Dixon, Illinois, the son of an Irish American shoe salesman. After graduating from Eureka College in 1932, Reagan worked as a sports broadcaster at an Iowa radio station. In 1937 he took a Hollywood screen test and won a contract from a movie studio. During the next 25 years he made more than 50 movies. As a broadcaster and an actor, Reagan learned how to speak publicly and how to project a strong, attractive image—skills that proved invaluable when he entered politics.

In 1947 Reagan became president of the Screen Actors Guild—the actors' union. Soon afterward, he testified about communism in

The Election of 1980



▼ By 1980, Carter was so unpopular that other Democrats did not want his help in their own campaigns. Reagan soundly defeated Carter in the Election of 1980.

Baldy

▲ When Ronald Reagan ran for the Republican presidential nomination, he was still best known to most Americans as an actor. Critics said that while he was scripted and polished, he lacked any real substance.

Analyzing VISUALS

- 1. Making Inferences** In the cartoon above, what does the artist infer about Reagan's campaign?
- 2. Interpreting** What is the artist in the cartoon to the right saying about Carter's place in the Democratic Party?



Baldy

Hollywood before the House Un-American Activities Committee. Reagan had been a staunch Democrat and a supporter of the New Deal, but dealing with Communists in the union shifted him toward conservative ideas.

In 1954 Reagan became the host of the television show "General Electric Theater" and agreed to be a motivational speaker for General Electric. As he traveled the country speaking to people, he became increasingly conservative. Over and over again, he said later, he heard average Americans describe how high taxes and government regulations made it impossible for them to get ahead.

By 1964 Reagan had become such a popular national speaker that Barry Goldwater asked him to make a televised speech on behalf of Goldwater's campaign. The speech impressed several wealthy entrepreneurs in California. They convinced Reagan to run for governor of California in 1966 and helped finance his campaign. Reagan won the election and was

reelected in 1970. Ten years later he won the Republican presidential nomination.

The Election of 1980

Reagan's campaign appealed to Americans who were frustrated with the economy and worried that the United States had become weak internationally. Reagan promised to cut taxes and increase defense spending. He won the support of social conservatives by calling for a constitutional amendment banning abortion. During one debate with President Carter, Reagan asked voters, "Are you better off than you were four years ago?" On Election Day, the voters answered "No." Reagan won nearly 51 percent of the popular vote and 489 electoral votes, easily defeating Carter in the Electoral College. For the first time since 1954, Republicans also gained control of the Senate.

✓ **Reading Check** **Describing** What event jump-started Ronald Reagan's political career as a conservative leader?

Domestic Policies

MAIN Idea Believing that government was part of the problem, President Reagan cut social service programs, sponsored tax cuts, and deregulated industry.

HISTORY AND YOU Do you think that cutting social programs is a good way to help the economy? Read on to learn more about Reagan's economic policies.

Ronald Reagan believed that the key to restoring the economy and overcoming problems in society was to get Americans to believe in themselves again. He expressed this idea in his Inaugural Address:

PRIMARY SOURCE

"We have every right to dream heroic dreams. . . . You can see heroes every day going in and out of factory gates. Others, a handful in number, produce enough food to feed all of us. . . . You meet heroes across a counter. . . . There are entrepreneurs with faith in themselves and faith in an idea who create new jobs, new wealth and opportunity. . . . Their patriotism is quiet but deep. Their values sustain our national life."

—from Reagan's First Inaugural Address

Reagan also told Americans that they should not expect government to help: "In this present crisis, government is not the solution to our problem. Government is the problem."

Reaganomics

Reagan's first priority was the economy, which was suffering from stagflation—a combination of high unemployment and high inflation. According to most economists, the way to fight unemployment was to increase government spending. Increasing spending, however, made inflation worse. Conservative economists offered two competing ideas for fixing the economy. One group, known as monetarists, argued that inflation was caused by too much money in circulation. They believed the best solution was to raise interest rates. Another group supported **supply-side economics**. They argued that the economy was weak because taxes were too high.

Supply-side economists believed that high taxes took too much money away from investors. If taxes were cut, businesses and investors

could use their extra capital to make new investments. Businesses would expand and create new jobs, and the result would be a larger supply of goods for consumers, who would now have more money to spend because of the tax cuts.

Reagan combined monetarism and supply-side economics. He encouraged the Federal Reserve to keep interest rates high, and asked Congress to pass a massive tax cut. Critics called his approach **Reaganomics** or "trickle-down economics." They believed Reagan's policy would help corporations and wealthy Americans, but little wealth would "trickle down" to middle-class or poor Americans.

Reagan made deals with conservative Democrats in the House and moderate Republicans in the Senate. Eventually Congress passed a 25 percent tax cut.

Debates

IN HISTORY

Are Tax Cuts Good for the Economy?

Ronald Reagan believed that government regulation of the economy was harmful and that taxes should be as low as possible to promote private spending and investment. During the 1984 presidential campaign, Reagan ran against Jimmy Carter's vice president, Walter Mondale. In these excerpts from the first debate between the two candidates, Reagan and Mondale discuss their fundamentally different approaches to government. Mondale advocated for tax increases and that is often cited as a main reason why he lost the election.

History ONLINE
Student Web Activity Visit glencoe.com and complete the activity on the 1980s.

Cutting Programs Cutting tax rates meant that the government would receive less money, at least until the economy started to grow. This would increase the **budget deficit**—the amount by which expenditures exceed income. To keep the deficit under control, Reagan proposed cuts to social programs. Welfare benefits, including the food-stamp program and the school-lunch program, were cut back. Medicare payments, unemployment compensation, student loans, and housing subsidies were also reduced.

After a struggle, Congress passed most of these cuts. The fight convinced Reagan that he would never get Congress to cut spending enough to balance the budget. He decided that cutting taxes and building up the military were more important than balancing the budget. He accepted a rapidly rising deficit as the price of getting his other programs passed.

Deregulation Reagan believed that excessive government regulation was another cause of the economy's problems. His first act as president was to sign an executive order to end price controls on oil and gasoline. Critics said that ending controls would drive prices up, but in fact they fell. Falling energy prices freed up money for businesses and consumers to spend elsewhere, helping the economy to recover.

Other deregulation soon followed. The Federal Communications Commission stopped trying to regulate the cable television industry. The National Highway Traffic and Safety Administration reduced requirements for air bags and higher fuel efficiency for cars. Carter had already begun deregulating the airline industry, and Reagan encouraged the process, which led to price wars, cheaper fares, and the founding of new airlines.

YES

Ronald Reagan

President



PRIMARY SOURCE

"...[T]he plan that we have had and that we are following is a plan that is based on growth in the economy. . . . Our tax cut, we think, was very instrumental in bringing about this economic recovery.

. . . So, we believe that as we continue to reduce the level of government spending. . . and, at the same time, as the growth in the economy increases the revenues the government gets, without raising taxes, those two lines will meet. . . . The deficit is the result of excessive government spending. . . . I don't believe that Mr. Mondale has a plan for balancing the budget; he has a plan for raising taxes. . . . And for the 5 years previous to our taking office, taxes doubled in the United States, and the budgets increased \$318 billion. So, there is no ratio between taxing and balancing a budget."

—from the first presidential debate, Oct. 7, 1984

NO

Walter Mondale

Presidential candidate



PRIMARY SOURCE

"...[E]ven with historically high levels of economic growth, we will suffer a \$263 billion deficit. . . . Real interest rates—the real cost of interest—will remain very, very high, and many economists are predicting that we're moving into a period of very slow growth. . . . I proposed over a hundred billion dollars in cuts in federal spending over 4 years, but I am not going to cut it out of Social Security and Medicare and student assistance and things . . . that people need. . . . The rate of defense spending increase can be slowed. . . . And there are other ways of squeezing this budget without constantly picking on our senior citizens and the most vulnerable in American life."

—from the first presidential debate, Oct. 7, 1984

DBQ Document-Based Questions

- 1. Specifying** What does Reagan say his administration has done to improve economic growth?
- 2. Explaining** How does Reagan propose to balance the federal budget?
- 3. Summarizing** How does Mondale respond to Reagan's plan? What effects does he foresee from that course?
- 4. Evaluating** Which approach do you feel will be the most effective? Why? Explain your answer.

Sandra Day O'Connor 1930—

When a Supreme Court vacancy opened up in 1981, President Reagan chose Sandra Day O'Connor, an Arizona appeals court judge. Unlike many Supreme Court justices, O'Connor had broad political experience. Appointed to a state senatorial vacancy in 1969, she successfully ran for the seat and became the state senate's first woman majority leader in 1972. O'Connor won election as a superior court judge in 1974 and was later appointed to the court of appeals.

O'Connor's nomination was opposed by the Moral Majority because she had supported the Equal Rights Amendment (ERA), and had refused to back an anti-abortion amendment, or criticize the decision in *Roe v. Wade*. Others, however, praised her legal judgment and conservative approach to the law. As a moderate conservative, she quickly became an important swing vote on the Court, between more liberal and more conservative justices.

Why do you think that O'Connor supported the Equal Rights Amendment?



▲ (Above photo) From left, front row are Thurgood Marshall; William Brennan, Jr.; William Rehnquist; Byron White; and Harry Blackmun. Back row from left are Antonin Scalia; John Paul Stevens; Sandra Day O'Connor; and Anthony M. Kennedy. (Right photo) Robert Bork failed to be confirmed.



Reagan's secretary of the interior, James Watt, increased the public land that companies could use for oil drilling, mining, and logging. Watt's actions angered environmentalists, as did the EPA's decision to ease regulations on pollution-control equipment and to reduce safety checks on chemicals and pesticides.

In 1983 the economy began to recover. By 1984, the United States had begun the biggest economic expansion in its history up to that time. The median income of families climbed steadily, rising 15 percent by 1989. Five million new businesses and 20 million new jobs were created. By 1988, unemployment had fallen to 5.5 percent, the lowest in 14 years.

Reagan Wins Reelection By 1984, the economic recovery had made Reagan very popular. Democrats nominated Jimmy Carter's vice president, Walter Mondale. He chose as his running mate Representative Geraldine Ferraro, the first woman nominated to run for vice president for a major party. Instead of arguing issues with his opponent, Reagan emphasized the good economy. In an overwhelming landslide, he won about 59 percent of the popular vote and all the electoral votes

except those from Mondale's home state of Minnesota and the District of Columbia.

Shifting the Judicial Balance

Reagan did not apply his conservative ideas only to the economy. He also tried to bring a strict constructionist outlook to the federal judiciary. Reagan wanted judges who followed the original intent of the Constitution. He also changed the Supreme Court by nominating Sandra Day O'Connor, the first woman on the Supreme Court.

In 1986 Chief Justice Warren Burger retired. Reagan chose the most conservative associate justice, William Rehnquist, to succeed him. He then named Antonin Scalia, a conservative, to fill Rehnquist's vacancy. In 1987 his attempt to put Robert Bork on the Court led to a bitter fight in the Senate. Democrats saw Bork as too conservative and blocked his **confirmation**. Reagan then nominated Anthony Kennedy, a moderate, to become the new associate justice.

Reading Check Explaining What is supply-side economics?

Reagan Oversees a Military Buildup

MAIN Idea President Reagan began a massive military buildup to weaken the Soviet economy and deter Soviet aggression.

HISTORY AND YOU Do you remember President Eisenhower's warning about the military as he left office? Read to learn how President Reagan sought to use military power to defeat the Soviets.

Reagan also adopted a new foreign policy that rejected both containment and détente. He called the Soviet Union "an evil empire." In his view, the United States should not negotiate with or try to contain evil. It should try to defeat it.

"Peace Through Strength"

In Reagan's opinion, the only option open to the United States in dealing with the Soviet Union was "peace through strength"—a phrase he used during his campaign. The military buildup Reagan launched was the largest peacetime buildup in American history. It cost about \$1.5 trillion over five years.

Reagan believed that, if the Soviets tried to match the American buildup, it might put so much pressure on their economy that they would be forced to reform their system or it would collapse. In 1982 Reagan told students at Eureka College that Soviet defense spending would eventually cause the Communist system to fall apart:

PRIMARY SOURCE

"The Soviet empire is faltering because rigid centralized control has destroyed incentives for innovation, efficiency, and individual achievement. . . . But in the midst of social and economic problems, the Soviet dictatorship has forged the largest armed force in the world. It has done so by preempting the human needs of its people and in the end, this course will undermine the foundations of the Soviet system."

—from *A Time for Choosing*

The United States also tried to stop nations from supporting terrorism. After Libya backed a terrorist bombing in Berlin, the United States launched an air attack on Libya on

April 14, 1986. The raids killed 37 and injured about 200.

Reagan's military buildup created new jobs in defense industries. Supply-side economists had predicted that, despite the spending, lower taxes combined with cuts in government programs would generate enough growth to increase tax revenues and balance the budget. Tax revenues did rise, but other programs were too popular for Reagan to cut significantly. As a result, the annual budget deficit went from \$80 billion to over \$200 billion.

The Reagan Doctrine

Reagan also believed that the United States should support guerrilla groups who were fighting to overthrow Communist or pro-Soviet governments. This policy became known as the Reagan Doctrine. This doctrine led to involvement in places as geographically diverse as Africa's Angola, Middle America's Nicaragua and Grenada, and the Middle East's Afghanistan and Lebanon.

Aid to the Afghan Rebels Perhaps the most **visible** example of the Reagan Doctrine was in Afghanistan. In late December 1979 the Soviet Union invaded Afghanistan to support a Soviet-backed government. The Soviets soon found themselves fighting Afghan guerrillas known as the mujahadeen.

President Carter sent about \$30 million in military aid to the Afghan guerrillas, but Reagan sent \$570 million more. The Soviets were soon trapped in a situation similar to the American experience in Vietnam. As casualties mounted, the war strained the Soviet economy, and in 1988 the Soviets decided to withdraw.

Nicaragua and Grenada Reagan was also concerned about Soviet influence in Nicaragua. Rebels known as the Sandinistas had overthrown a pro-American dictator in Nicaragua in 1979. The Sandinistas set up a socialist government and accepted Cuban and Soviet aid. They then began aiding rebels in nearby El Salvador. The Reagan administration responded by secretly arming an anti-Sandinista guerrilla force known as the *contras*, from the Spanish word for "counterrevolutionary." When Congress learned of this policy, it banned further aid to the *contras*.

Reagan's Foreign Policy

President Reagan launched a massive weapons buildup, believing it would weaken the Soviet Union. He also provided aid to Afghan rebels fighting Soviet forces and engaged in a series of meetings with the Soviet leader that produced a nuclear arms treaty (at right).



▲ In 1987, Reagan stood at the Brandenburg Gate in West Berlin and demanded that Gorbachev tear down the Berlin Wall.

Analyzing VISUALS

- 1. Contrasting** What contradictions do the photos seem to suggest about Reagan's policies? How can you reconcile them?
- 2. Evaluating** Why might a president want to make a public speech demanding another nation change its behavior? Why might it be effective?

Aiding the contras was not Reagan's only action in Latin America. In 1983 radical Marxists overthrew the left-wing government on the island of Grenada. In October, Reagan sent in American troops, who quickly defeated the Cuban and Grenadian soldiers. A new anti-Communist government was put in place.

The Iran-Contra Scandal Although Congress had prohibited aid to the Nicaraguan contras, individuals in Reagan's administration continued to illegally support the rebels. They secretly sold weapons to Iran, considered an enemy and sponsor of terrorism, in exchange for the release of American hostages being held in the Middle East. These hostages were taken by the Hezbollah terrorist group because the United States was supporting Israel's involvement in Lebanon's civil war. Profits from these sales were then sent to the contras.

News of the illegal operations broke in November 1986. One of the chief figures in the

Iran-Contra scandal was Marine colonel Oliver North, an aide to the National Security Council (NSC). He and other senior NSC and CIA officials testified before Congress and admitted to covering up their actions.

President Reagan had approved the sale of arms to Iran, but the congressional investigation concluded that he had had no direct knowledge about the diversion of the money to the contras. The scandal tainted his second term in office.

Arms Control

As part of the military buildup, Reagan decided to place missiles in Western Europe to counter Soviet missiles in Eastern Europe. This decision triggered tens of thousands of protesters to push for a "nuclear freeze"—no more deployment of new nuclear missiles.

Reagan offered to cancel the deployment of the new missiles if the Soviets removed their

missiles from Eastern Europe. He also proposed Strategic Arms Reduction Talks (START) to cut the number of missiles on both sides in half. The Soviets refused and walked out of the arms control talks.

“Star Wars” Despite his decision to deploy missiles in Europe, Reagan generally disagreed with the military strategy known as nuclear deterrence, sometimes called **“mutual assured destruction.”** This strategy assumed that, as long as the United States and Soviet Union could destroy each other with nuclear weapons, they would be afraid to use them.

Reagan believed that mutual assured destruction was immoral because it depended on the threat to kill massive numbers of people. He also knew that if nuclear war did begin, there would be no way to defend the United States. In March 1983 Reagan proposed the Strategic Defense Initiative (SDI). This plan, nicknamed “Star Wars,” called for the development of weapons that could intercept and destroy incoming missiles.

A New Soviet Leader In 1985 **Mikhail Gorbachev** became the leader of the Soviet Union and agreed to resume arms-control talks. Gorbachev believed that the Soviet Union had to reform its economic system or it would soon collapse. It could not afford a new arms race with the United States.

Reagan and Gorbachev met in a series of summits. The first of these was frustrating for both, as they disagreed on many issues. Gorbachev promised to cut back Soviet nuclear forces if Reagan would agree to give up SDI, but Reagan refused.

Reagan then challenged Gorbachev to make reforms. In West Berlin, Reagan stood at the Brandenburg Gate of the Berlin Wall, the symbol of divided Europe, and declared: “General Secretary Gorbachev, if you seek peace, if you seek prosperity for the Soviet Union and Eastern Europe . . . tear down this wall!”

Relations Improve By 1987, Reagan was convinced that Gorbachev did want to reform the Soviet Union and end the arms race. While some politicians distrusted the Soviets, most people welcomed the Cold War thaw and the reduction in the danger of nuclear war. In December 1987 the two leaders signed the Intermediate Range Nuclear Forces (INF) Treaty. It was the first treaty to call for the destruction of nuclear weapons.

No one realized it at the time, but the treaty marked the beginning of the end of the Cold War. With an arms control deal in place, Gorbachev felt confident that Soviet military spending could be reduced. He pushed ahead with economic and political reforms that eventually led to the collapse of communism in Eastern Europe and in the Soviet Union.

With the economy booming, the American military strong, and relations with the Soviet Union rapidly improving, Ronald Reagan’s second term came to an end. As he prepared to leave office, Reagan assessed his presidency: “They called it the Reagan revolution. Well, I’ll accept that, but for me it always seemed more like the great rediscovery, a rediscovery of our values and our common sense.”

 **Reading Check** **Identifying** What was the Reagan Doctrine?

Section 2 REVIEW

Vocabulary

1. **Explain** the significance of: supply-side economics, Reaganomics, budget deficit, Iran-Contra scandal, “mutual assured destruction,” Mikhail Gorbachev.

Main Ideas

2. **Specifying** What political office did Ronald Reagan hold before he was elected president?
3. **Explaining** How did Reagan aim to change the Supreme Court?
4. **Summarizing** What was the goal of the U.S. military buildup under President Reagan?

Critical Thinking

5. **Big Ideas** What was President Reagan’s approach to foreign policy?
6. **Organizing** Use a graphic organizer similar to the one below to list the ways in which the Reagan Doctrine was implemented.



7. **Analyzing Visuals** Study the political cartoons on page 747. How do the cartoons portray Reagan and Carter?

Writing About History

8. **Expository Writing** Take on the role of a newspaper editor during the Reagan administration. Write an editorial in which you present your opinion of Reagan’s plans for a military buildup.

History  **ONLINE**

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Life in the 1980s

Guide to Reading

Big Ideas

Science and Technology

Achievements in technology during the 1980s symbolized the optimism many associated with the Reagan era.

Content Vocabulary

- yuppie (p. 754)
- discount retailing (p. 755)

Academic Vocabulary

- via (p. 756)
- orientation (p. 759)

People and Events to Identify

- Mothers Against Drunk Driving (MADD) (p. 758)
- AIDS (p. 759)
- Stonewall Riot (p. 759)
- American Association of Retired Persons (AARP) (p. 759)

Reading Strategy

Organizing Complete a graphic organizer similar to the one below by listing the kinds of social issues that Americans faced in the 1980s.



The 1980s was a period of increased wealth for many, as areas of the economy improved and new technologies came to market. However, cuts in social programs left many Americans in need, leading to a new sense of activism.

A Booming Economy

MAIN Idea Innovation in the retailing and broadcast industries changed American society and generated new businesses and jobs.

HISTORY AND YOU What technological devices are part of your everyday life? Read on to find out about the inventions of the 1980s.

By late 1983, the American economy had revived after the stagflation of the 1970s. Stock prices soared as many companies reported record profits. Stockbrokers, speculators, and real estate developers made multimillion-dollar deals, buying and selling hundreds of companies. Perhaps the most famous real estate developer of the era was Donald Trump, who opened Trump Tower in New York City in 1982. Many of the new moneymakers were young, ambitious, and hard-working. Journalists called them **yuppies**, from “young urban professionals.”

The rapid economic growth and emphasis on accumulating wealth in the 1980s was partly caused by the baby boom. By the 1980s, many baby boomers had finished college, entered the job market, and begun building their careers. Young people entering the workforce often placed an emphasis on acquiring goods and getting ahead in their jobs. Because baby boomers were so numerous, their concerns tended to shape the culture.

The strong economic growth of the 1980s mostly benefited middle- and upper-class Americans. As a result, the emphasis on acquiring wealth had another effect on society. From 1967 to 1986, the amount of money earned by the top 5 percent of Americans fluctuated between 15.6 and 17.5 percent of the nation’s total income. In the late 1980s, their share of the nation’s income began to rise. By the mid-1990s, the top 5 percent of Americans earned well over 21 percent of the nation’s income.

A Retail Revolution

In addition to the booming real-estate and stock markets, the economy of the 1980s witnessed a revolution in retail sales. Several entrepreneurs pioneered a new approach to retailing—or selling goods to

PRIMARY SOURCE

The Booming Economy of the 1980s

The American economy grew rapidly in the 1980s for several reasons—lower taxes spurred investment and spending while new methods of retailing lowered prices and new technology led to new businesses and the creation of many new jobs.



Analyzing VISUALS

- 1. Identifying** In what year of the late 1980s did the Dow Jones sharply decline?
- 2. Explaining** Examine the photos and then write a brief essay explaining how they demonstrate economic trends of the 1980s.



Discount retail stores (above) and cable television (right) took off in the 1980s, helping to further fuel economic growth.

consumers—that greatly reduced prices for Americans.

This new type of retailing, known as **discount retailing**, had actually begun to emerge in the 1960s—but it did not have a major impact on the economy until the 1980s. Discount retailers sell large quantities of goods at very low prices, trying to sell the goods quickly to turn over their entire inventory in a short period of time. By selling a lot of products at very low prices, they could make more money than traditional retailers who sold fewer products at higher prices. During the 1960s many new discount retail chains were founded, including K Mart, Woolco, Target, and Wal-Mart. Annual sales by discount stores grew from about \$2 billion in the mid-1960s to almost \$70 billion by 1985.

The most successful discount retailer was Sam Walton, the founder of Wal-Mart. Walton

developed a system of distribution centers to rapidly re-supply his stores. He was one of the first retailers to use a computer database to track inventory and sales. By 1985, he was the richest person in the United States.

Others soon copied Walton's approach. By the late 1970s, discount retailers had begun to build huge "superstores" that enabled them to sell large quantities of goods very quickly at low prices. One such entrepreneur was Arthur Blank, who opened Home Depot—a chain of giant home-improvement stores—in 1978. In 1983 Richard Schulze, a former air force officer, used his technical training to found Best Buy, a huge discount retailer of consumer electronics. Dozens of other entrepreneurs started discount stores in other industries. Their innovations created millions of new jobs in the 1980s and helped fuel the era's rapid economic growth.

New Social Activism

MAIN Idea Social problems affected many people during the 1980s, and new groups formed to try to solve them.

HISTORY AND YOU Does your school have organizations such as Students Against Drunk Driving? Read on to learn more about attempts to limit teen alcohol abuse.

The 1980s was a decade of wealth and prosperity. At the same time, many social problems continued to plague the nation, such as drugs, poverty, homelessness, and disease.

Social Problems

Ongoing problems with drug abuse in the 1980s made many neighborhoods dangerous. Drug users often committed crimes to get money for drugs. Drug use also spread from cities to small towns and rural areas.

Fighting Drugs in Schools In an effort to reduce teen drug use, some schools began searching student bags and lockers for concealed

drugs. In 1984 one teen who had been arrested for selling drugs challenged the school's right to search her purse without a warrant. In 1985, the Supreme Court case *New Jersey v. T.L.O.* upheld the school's right to search without a warrant if it had probable cause. Although students did have a right to privacy, they did not have the same Fourth Amendment rights as adults. Similarly, the 1995 case of *Vernonia School District v. Acton* held that random drug tests do not violate students' Fourth Amendment rights.

Efforts to Stop Drunk Driving Abuse of alcohol was also a serious concern. In 1980 **Mothers Against Drunk Driving (MADD)** was founded to try to stop underage drinking and drunk driving in general. In 1984 Congress cut highway funds to any state that did not raise the legal drinking age to 21. Within four years, all states complied.

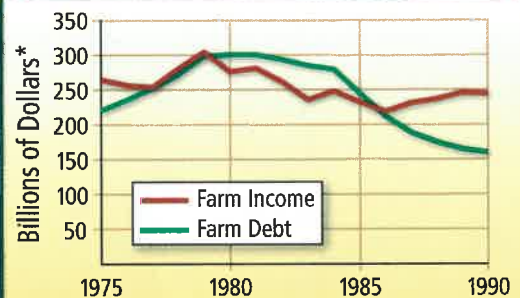
The AIDS Epidemic Begins In 1981 researchers identified a disease that caused healthy young people to become sick and die. They named it "acquired immune deficiency syndrome," or **AIDS**. AIDS weakens the

PRIMARY SOURCE

The Farm Debt Crisis of the 1980s

Although the high interest rates of the 1980s helped reduce inflation, when they were combined with the low food prices of the era, they created a debt crisis for American farmers who could not make their loan payments and were forced out of business. By the end of the 1980s, the total number of farms in the United States had sharply declined.

Farm Income and Debt



*In constant 2000 dollars

Source: U.S. Department of Agriculture.

◀ As farmers faced a debt crisis, some began holding demonstrations, such as this one in Washington D.C. in 1984.

Analyzing VISUALS

- Hypothesizing** What factors explain why farm debt increased between 1975 and 1980?
- Interpreting** What are the farmers at left complaining about?



immune system. HIV, the virus that causes AIDS, is spread through bodily fluids.

In the United States, AIDS was first noticed among homosexual men, but it soon spread among heterosexual men and women. Many people were infected by sexual partners. A few got the disease from blood transfusions. Other victims included drug users who shared needles. Between 1981 and 1988, the Centers for Disease Control and Prevention identified more than 100,000 cases in the United States.

New Activist Groups

AIDS increased the visibility of the country's gay and lesbian community, but some homosexuals had been engaged in efforts to defend their civil rights since the 1960s. On June 27, 1969, New York City police raided a nightclub called the Stonewall Inn. The police had often raided the nightclub because of the sexual **orientation** of its patrons. Frustration among the gay and lesbian onlookers led to a riot. The **Stonewall Riot** marked the beginning of the gay activist movement. Soon after, organizations such as the Gay Liberation Front began efforts to increase tolerance of homosexuality.

Rock 'n' Rollers Become Activists Many musicians and entertainers in the 1980s began using their celebrity to raise awareness about social issues. To help starving people in Ethiopia, Irish rocker Bob Geldof organized musicians in England to present "Band Aid" concerts in 1984. In the next year, the event grew into "Live Aid." People in some 100 countries watched benefit concerts televised from London, Philadelphia, and Sydney, Australia. The organization's theme song, "We Are the World," was a best-seller. In the same year, country singer Willie Nelson organized "Farm Aid" to help American farmers who were going through hard times. Musicians also publicized efforts to end the segregated apartheid social system in South Africa. In the late 1980s, the United States and other nations were attempting to end apartheid in South Africa by imposing economic sanctions against the country.

Senior Citizens Begin to Lobby Another group that became politically active in the 1980s was senior citizens. Decades of improvements in medicine had resulted in more Americans surviving to an older age. In addition, the birthrate had declined, so younger people represented a comparatively smaller proportion of the population. The fact that more Americans were receiving Social Security payments created budget pressures for the government.

Older Americans became very vocal in the political arena, opposing cuts in Social Security or Medicare. Because they tend to vote in large numbers, senior citizens are an influential interest group. Their major lobbying organization is the **American Association of Retired Persons (AARP)**, founded in 1958.

Reading Check **Summarizing** On what issues did some entertainers focus in the 1980s?

Section 3 REVIEW

Vocabulary

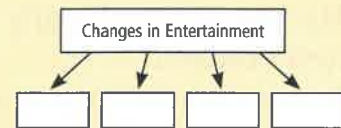
1. **Explain** the significance of: yuppie, discount retailing, Mothers Against Drunk Driving (MADD), AIDS, Stonewall Riot, American Association of Retired Persons (AARP).

Main Ideas

2. **Summarizing** How did retailing change in the 1980s?
3. **Listing** What are three social problems that gained focus in the 1980s?

Critical Thinking

4. **Big Ideas** What new innovations occurred in the consumer electronics industry in the 1980s?
5. **Organizing** Use a graphic organizer similar to the one below to list the changes in entertainment in the 1980s.



6. **Analyzing Visuals** Study the graph of the stock market rise on page 755. How is this graph indicative of what you have read about in this section?

Writing About History

7. **Persuasive Writing** Choose one of the social problems of the 1980s. Write a letter to members of your favorite band asking them to perform a concert to benefit your cause. Your letter should explain why the cause is important.

History  ONLINE

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GEOGRAPHY & HISTORY

Urban America on the Move

After World War II, cities grew into vast metropolitan areas—a development referred to as “urban sprawl.” Inner cities, often inhabited by lower-income people, lost tax revenue, resulting in deteriorating infrastructure and shortages of affordable housing. As the map shows, many high-growth areas are in Southern Sunbelt states.

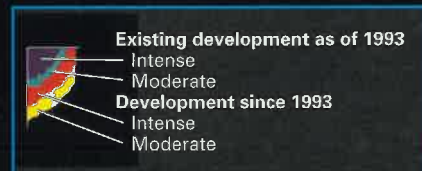
In response, some cities sought to improve urban neighborhoods and encourage reinvestment in the city core. These policies have had only limited effect, as suburbs and new “exurbs”—communities located in the country beyond the suburbs, continue to grow.

How Has Urban Geography Affected Politics?

The rapid growth of the suburbs and exurbs plays an important role in American politics. Inner city communities tend to vote for Democrats, while voters in outer suburbs and exurbs tend to vote for Republicans. The reason for this pattern is unclear. In part, it reflects the preference of many minorities who live in the inner city to vote for Democrats. In addition, some political geographers believe that since city-dwellers rely more on government services, they tend to support liberal policies that favor government activism. People in the suburbs and exurbs want more independence and more often distrust government—a conservative perspective. They believe large city governments have done a poor job running schools and controlling crime.



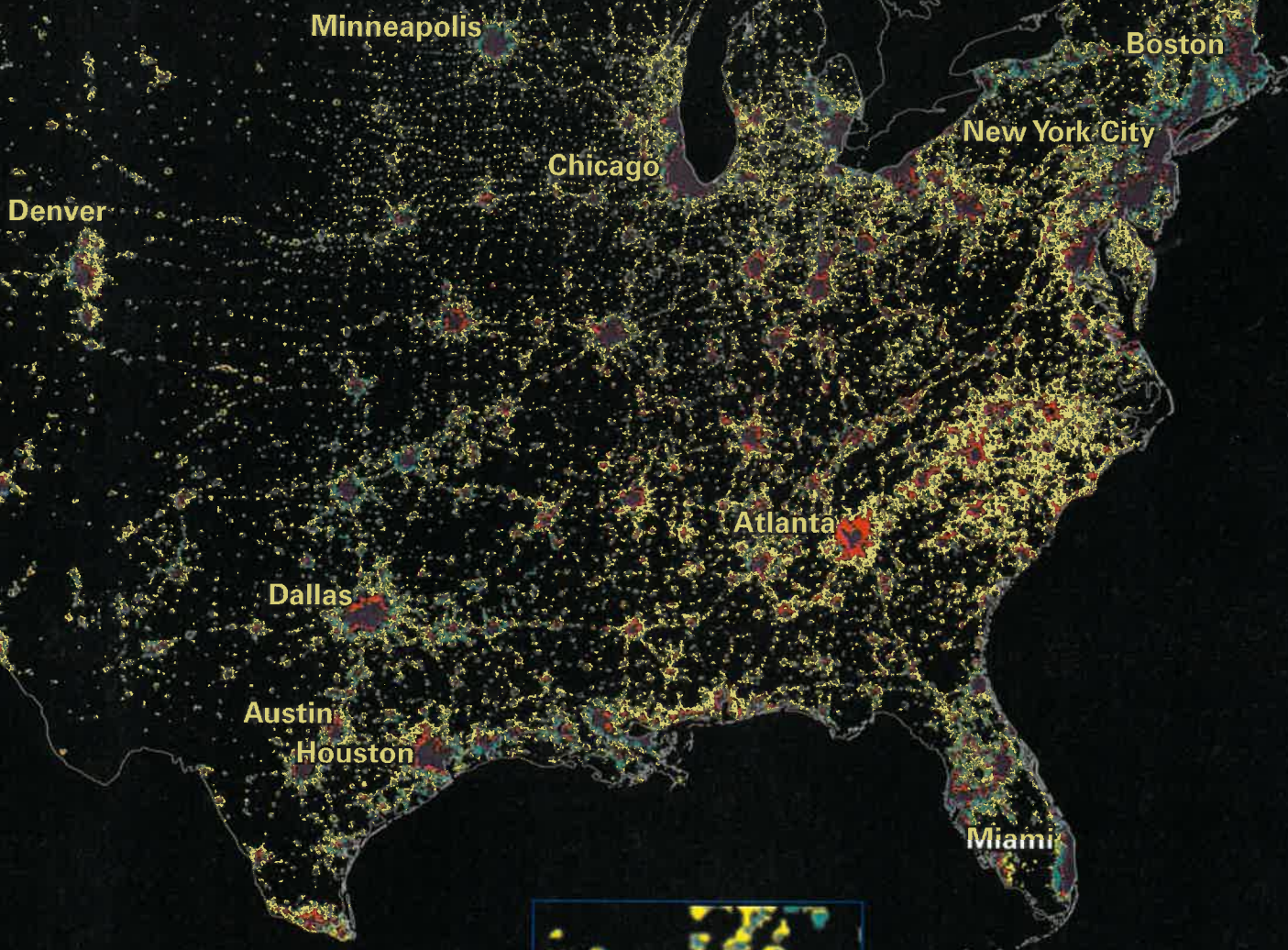
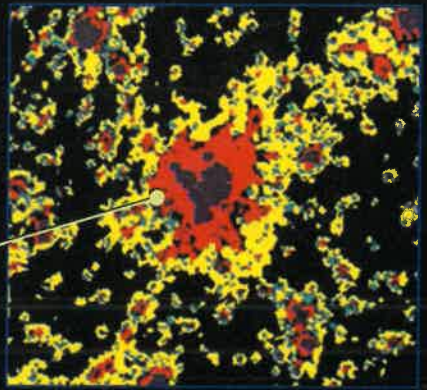
▲ Urban sprawl, traffic congestion, long commutes, and air pollution are part of the price Atlanta paid for rapid growth.



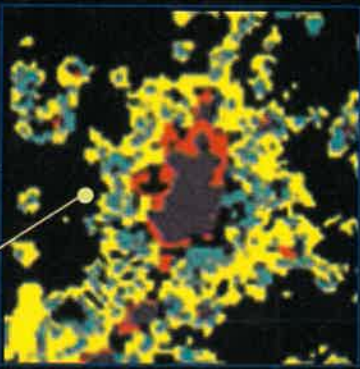
Analyzing GEOGRAPHY

- 1. Movement** Which regions experienced the most growth after 1993?
- 2. Human-Environment Interaction** How does the urban geography of American cities shape voting patterns and preferences?

Atlanta, Georgia was one of the fastest growing cities in the early 1990s. The expansion of Atlanta's suburbs into surrounding counties since 1993 is shown in red and yellow.



Like many Sunbelt cities, Austin, Texas, experienced rapid growth in the 1980s and 1990s—much of it fueled by the influx of new high-tech companies. Austin's population was about 465,000 in 1990. By 2007, it had reached 690,000.





The End of the Cold War

Guide to Reading

Big Ideas

Economics and Society The deficit and an economic slowdown hurt George H.W. Bush's attempt to win reelection in 1992.

Content Vocabulary

- perestroika (p. 763)
- glasnost (p. 763)
- downsizing (p. 766)
- capital gains tax (p. 767)
- grassroots movement (p. 767)

Academic Vocabulary

- initiative (p. 765)
- retain (p. 767)

People and Events to Identify

- Boris Yeltsin (p. 764)
- Tiananmen Square (p. 765)
- Saddam Hussein (p. 765)
- H. Ross Perot (p. 767)

Reading Strategy

Categorizing Complete a graphic organizer similar to the one below by describing U.S. foreign policy in each of the places listed.

Place	Foreign Policy
Soviet Union	
China	
Panama	
Middle East	

In the late 1980s, the United States faced a series of international crises. The Cold War came to an end in Europe, but events in the Middle East soon led the United States into its first major war since Vietnam.

The Soviet Union Collapses

MAIN Idea The Soviet Union's attempts at reforming its social and economic systems failed, leading to the collapse of the Communist eastern bloc.

HISTORY AND YOU What can you recall about the division of Europe after World War II? Read on to learn about the massive changes that took place in Eastern Europe at the end of the 1980s.

When Ronald Reagan left office, few Americans were thinking about foreign policy. Many generally wanted a continuation of Reagan's domestic policies—low taxes and less government action. When Republicans nominated George H. W. Bush for president in 1988, he reassured Americans he would continue Reagan's policies by making a promise: "Read my lips: No new taxes."

The Democrats hoped to regain the White House in 1988 by promising to help working-class Americans, minorities, and the poor. One candidate for the nomination, civil rights leader Jesse Jackson, tried to create a "rainbow coalition"—a broad group of minorities and the poor—by speaking about homelessness and unemployment. Jackson finished second in the primaries, the first African American to make a serious run for the nomination.

The Democrats nominated Massachusetts governor Michael Dukakis. The Bush campaign portrayed him as too liberal and "soft on crime." The Democrats questioned Bush's leadership abilities, but Bush had Reagan's endorsement and, with the economy still doing well, most Americans felt that Bush was the more able candidate. Bush easily defeated Dukakis in the general election, although Democrats kept control of Congress.

Voters had focused on domestic issues during the election campaign, but soon after taking office President Bush had to focus most of his time and energy on foreign policy as change swept through Eastern Europe and the Cold War came to an abrupt end.

Revolution in Eastern Europe

As president, Bush continued Reagan's policy of cooperation with Soviet leader Mikhail Gorbachev. By the late 1980s, the Soviet economy was suffering from years of inefficient central planning and huge expenditures on the arms race. To save the economy,



◀ The Berlin Wall fell on November 10, 1989.



▲ Boris Yeltsin rallies the crowd against the military coup on August 19, 1991.

Analyzing GEOGRAPHY

- Regions** Which Eastern European countries abandoned communism first?
- Place** Why was the fall of communism in East Germany significant?

Gorbachev instituted **perestroika**, or “restructuring,” and allowed some private enterprise and profit making.

The other principle of Gorbachev’s plan was **glasnost**, or “openness.” It allowed more freedom of religion and speech, enabling people to discuss politics openly. With Gorbachev’s support, glasnost spread to Eastern Europe. In 1989 revolutions replaced Communist rulers with democratic governments in Bulgaria, Czechoslovakia, Hungary, Poland, and Romania. The tide of revolution then swept over East Germany, and at midnight on November 9, 1989, guards at the Berlin Wall opened the gates.

Within days, bulldozers leveled the hated symbol of Communist repression. Within a year, East and West Germany had reunited to form one nation—the Federal Republic of Germany.

The Soviet Union Collapses

As Eastern Europe abandoned communism, Gorbachev faced mounting criticism from opponents at home. In August 1991 a group of Communist officials and army officers tried to stage a coup—an overthrow of the government. They arrested Gorbachev and sent troops into Moscow.

In Moscow, Russian president **Boris Yeltsin** defied the coup leaders from his offices in the Russian Parliament. About 50,000 people surrounded the Russian Parliament to protect it from troops. President Bush telephoned Yeltsin to express the support of the United States. Soon afterward, the coup collapsed, and Gorbachev returned to Moscow.

The defeat of the coup brought change swiftly. All 15 Soviet republics declared their independence from the Soviet Union. Yeltsin outlawed the Communist Party in Russia. In late December 1991 Gorbachev announced the end of the Soviet Union. Most of the former Soviet republics then joined in a federation called the Commonwealth of Independent States (CIS). Although CIS member states remained independent, they agreed to form a common economic zone in 1993.

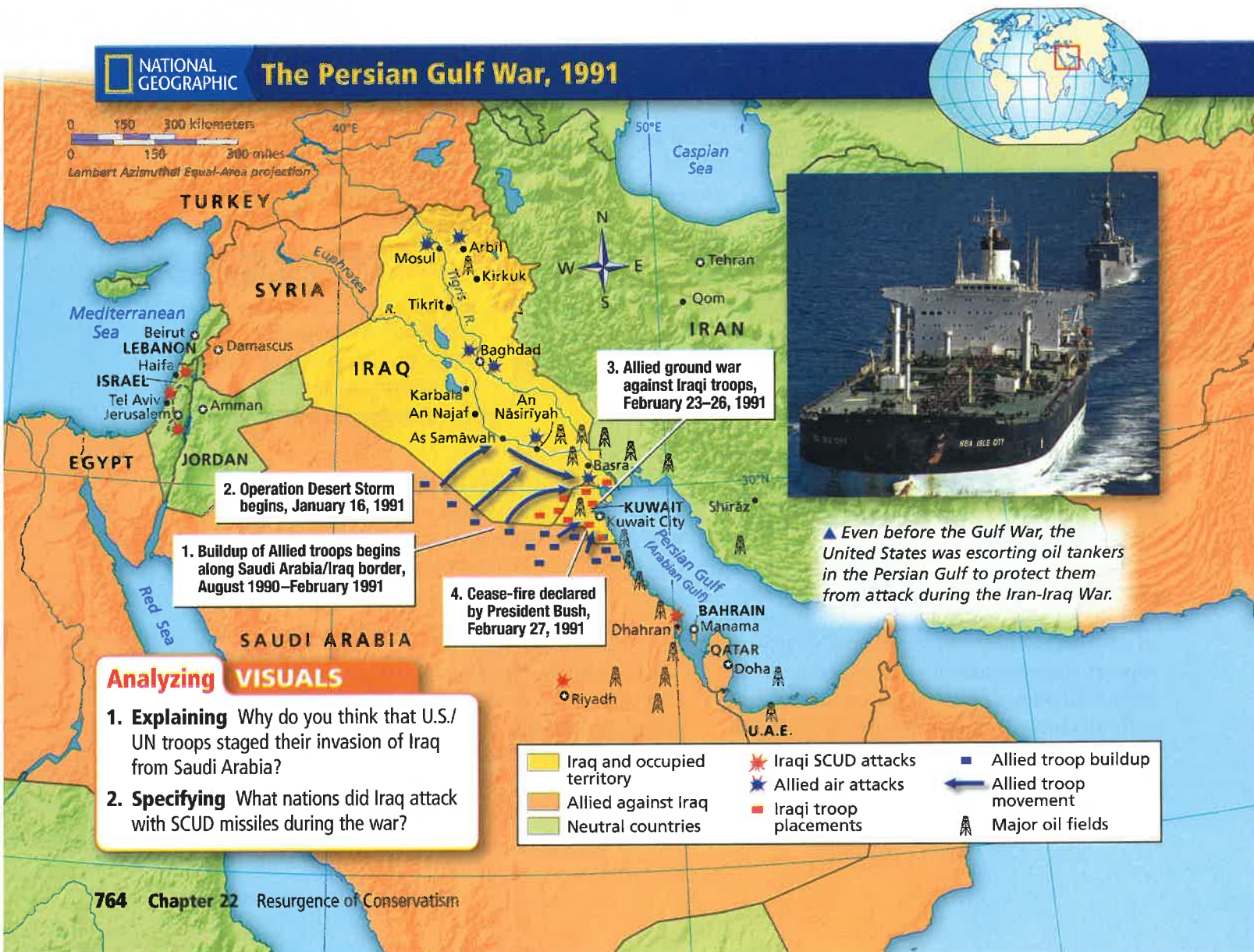
Reading Check Explaining Why did Mikhail Gorbachev institute the policy of *perestroika*?

A “New World Order”

MAIN Idea Bush used his foreign policy expertise to deal with crises in China, Panama, and the Persian Gulf.

HISTORY AND YOU Do you remember learning about student protests in the 1960s? Read on to learn about a student protest in China.

After the Cold War, the world became increasingly unpredictable. President Bush noted that a “new world order” was emerging. This new world order introduced new military challenges around the globe. For example, U.S. troops led Operation Restore Hope, providing humanitarian assistance and famine relief to refugees in Somalia, which had collapsed when the Cold War motivations were removed. Several other crises requiring military action emerged in China, Panama, and the Middle East.



Tiananmen Square

Despite the collapse of communism in Eastern Europe and the Soviet Union, China's Communist leaders were determined to stay in power. China's government had relaxed controls on the economy, but it continued to repress political speech and dissent. In May 1989, Chinese students and workers held demonstrations for democracy. The center of the protests was **Tiananmen Square** in Beijing, China's capital. In early June government tanks and soldiers crushed the protests. Many people were killed and hundreds of pro-democracy activists were arrested. Many were later sentenced to death.

Shocked, the United States and several European countries halted arms sales and reduced their diplomatic contacts with China. The World Bank suspended loans. President Bush resisted harsher sanctions, believing that trade and diplomacy would eventually moderate China's behavior.

Panama

While President Bush struggled to deal with global events elsewhere, a crisis developed in Panama. In 1978 the United States had agreed to give Panama control over the Panama Canal by the year 2000. Because of the canal's importance, American officials wanted to make sure Panama's government was both stable and pro-American.

By 1989, Panama's dictator, General Manuel Noriega, had stopped cooperating with the United States. He also aided drug traffickers, cracked down on opponents, and harassed American military personnel defending the canal. In December 1989, Bush ordered American troops to invade Panama. The troops seized Noriega, who was sent to the United States to stand trial on drug charges. The troops then helped the Panamanians hold elections and organize a new government.

The Persian Gulf War

President Bush faced perhaps his most serious crisis in the Middle East. In August 1990 Iraq's dictator, **Saddam Hussein**, sent his army to invade oil-rich Kuwait. American officials feared that the invasion might be only the

first step and that Iraq's ultimate goal was to capture Saudi Arabia and its vast oil reserves. American troops rushed to the Middle East and took up positions in Saudi Arabia in response.

President Bush persuaded other UN member countries to join a coalition to stop Iraq. Led by the United States, the United Nations imposed economic sanctions on Iraq and demanded that the Iraqis withdraw. The coalition included troops from the United States, Canada, Europe, and Middle Eastern nations. The UN set a deadline for the Iraqis' withdrawal, after which the coalition would use force to remove them. Congress also voted to authorize the use of force if Iraq did not withdraw.

On October 31, 1990, General Colin Powell, chairman of the Joint Chiefs of Staff, Secretary of Defense Dick Cheney, and other high-ranking officials met with President Bush. It was clear that Iraq would not obey the UN deadline. Powell presented the plan for attacking Iraq. Several advisers gasped at the numbers, which called for over 500,000 American troops. "Mr. President," Powell began, "I wish . . . that I could assure you that air power alone could do it but you can't take that chance. We've gotta take the **initiative** out of the enemy's hands if we're going to go to war." Cheney later recalled that Bush "never hesitated." He looked up from the plans and said simply, "Do it."

On January 16, 1991, the coalition forces launched Operation Desert Storm. Dozens of cruise missiles and thousands of laser-guided bombs fell on Iraq, destroying its air defenses, bridges, artillery, and other military targets. After about six weeks of bombardment, the coalition launched a massive ground attack. Waves of tanks and troop carriers smashed through Iraqi lines and encircled the Iraqi forces defending Kuwait.

The attack killed thousands of Iraqi soldiers, and hundreds of thousands more surrendered. Fewer than 300 coalition troops were killed. Just 100 hours after the ground war began, President Bush declared Kuwait to be liberated. Iraq accepted the coalition's cease-fire terms, and American troops returned home to cheering crowds.

 **Reading Check** **Examining** Why did President Bush take action when Iraqi troops invaded Kuwait?

Domestic Challenges

MAIN Idea To reduce the deficit, President Bush raised taxes, an unpopular decision that helped Bill Clinton win the election.

HISTORY AND YOU How are your school and community designed to provide access for people who use wheelchairs? Read on to find out more about the Americans with Disabilities Act of 1990.

President Bush spent much of his time dealing with foreign policy, but he could not ignore domestic issues. He inherited a growing deficit and a slowing economy. With the Persian Gulf crisis, the economy plunged into a recession and unemployment rose.

The Economy Slows

The recession that began in 1990 was partly caused by the end of the Cold War. As the Soviet threat faded, the United States began reducing its armed forces and canceling orders for military equipment. Thousands of soldiers and defense industry workers were laid off.

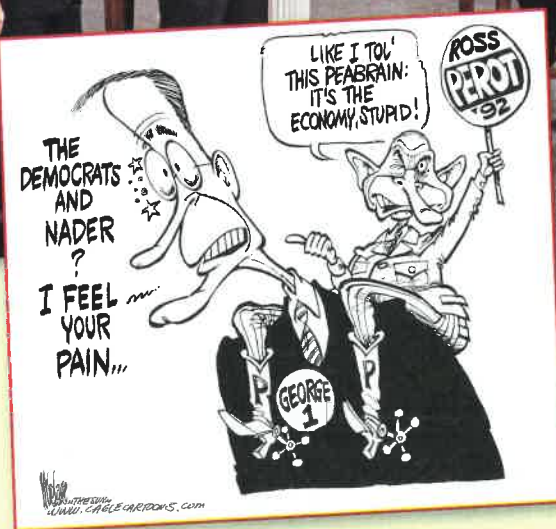
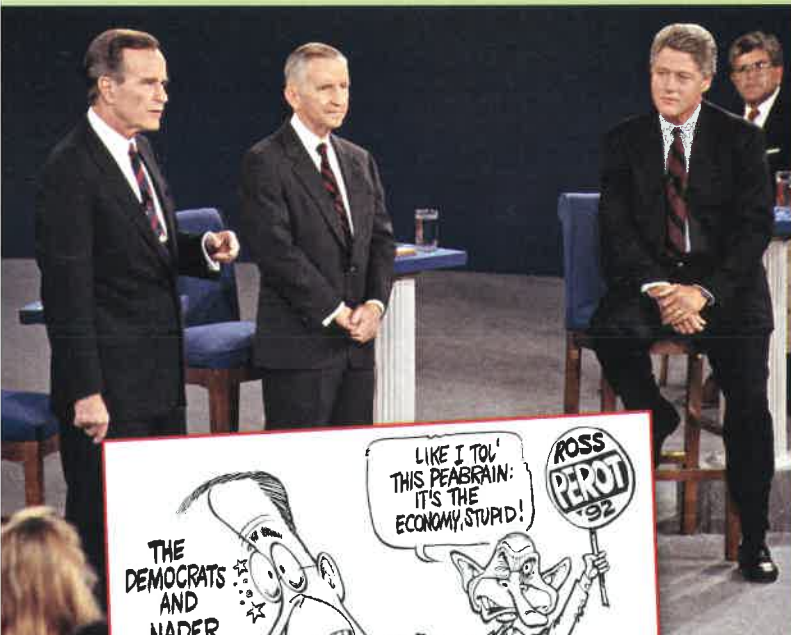
Other companies also began **downsizing**—laying off workers and managers to become more efficient. The nation's high level of debt made the recession worse. Americans had borrowed heavily during the 1980s and now faced paying off large debts.

In addition, the huge deficit forced the government to borrow money to pay for its programs. This borrowing kept money from being

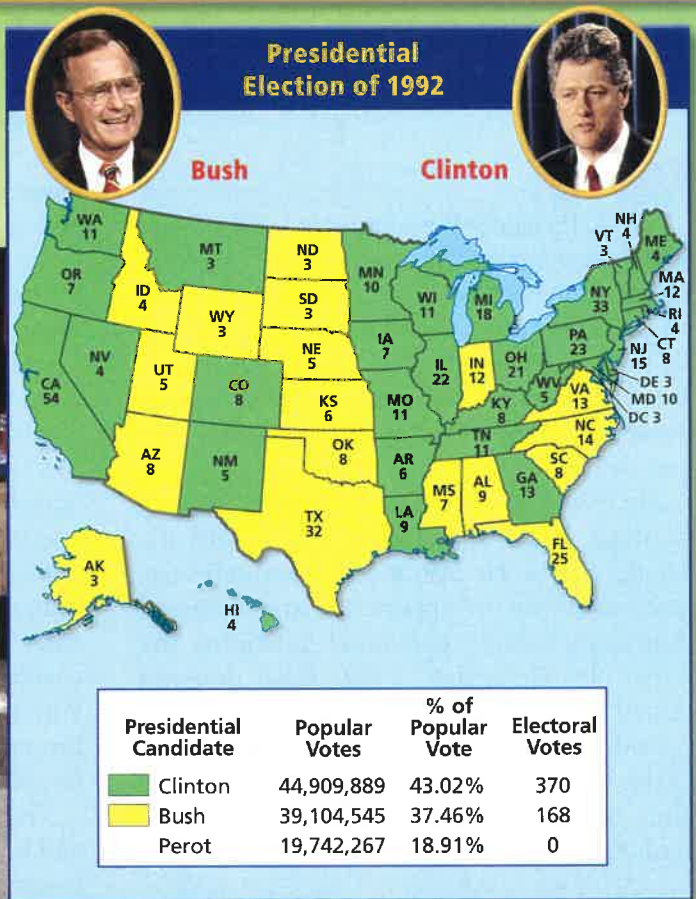
HISTORY AND GEOGRAPHY

The Election of 1992

The election of 1992 marked the first time since 1968 that no candidate won at least 50 percent of the popular vote and for much the same reason. A strong third party challenger, Ross Perot (below, center), took votes from both major candidates.



◀ The success of Perot's campaign surprised many Americans.



Analyzing VISUALS

- Interpreting** What does the cartoon suggest about independent candidates?
- Speculating** What factors might explain Clinton's popularity in the Northeast?

Section 4 REVIEW

available to businesses. The government also had to pay interest on its debt, money that might otherwise have been used to fund programs or boost the economy.

As the economy slowed, hundreds of savings-and-loan institutions collapsed. After President Reagan had allowed them to be deregulated, many had made risky or even dishonest investments. When these investments failed, depositors collected on federal programs to insure deposits. The cost to the public may have reached \$500 billion.

Gridlock in Government

Shortly after taking office, Bush tried to improve the economy. He called for a cut in the **capital gains tax**—the tax paid by businesses and investors when they sell stocks or real estate for a profit. Bush believed that the tax cut would encourage businesses to expand. Calling the idea a tax break for the rich, Democrats in Congress defeated it.

Aware that the growing federal deficit was hurting the economy, Bush broke his “no new taxes” campaign pledge. After meeting with congressional leaders, he agreed to a tax increase in exchange for cuts in spending. This decision turned many voters against Bush.

The 1992 Election

Although the recession had weakened his popularity, Bush won the Republican nomination. Bush promised to address voters’ economic concerns and he blamed congressional Democrats for the gridlock that seemingly paralyzed the nation’s government.

The Democrats nominated Arkansas governor William Jefferson Clinton, despite stories that questioned his character and the fact that he did not serve in Vietnam. Calling himself a “New Democrat” to separate himself from more liberal Democrats, Clinton promised to cut middle-class taxes, reduce government spending, and reform the nation’s health care and welfare programs. His campaign repeatedly blamed Bush for the recession.

Some Americans were not happy with either Bush or Clinton. This enabled an independent candidate, billionaire Texas businessman **H. Ross Perot**, to make a strong challenge. Perot stressed the need to end deficit spending. His no-nonsense style appealed to many Americans. A **grassroots movement**—groups of people organizing at the local level—put Perot on the ballot in all 50 states.

Bill Clinton won the election with 43 percent of the popular vote and 370 electoral votes. The Democrats also **retained** control of Congress. Bush won 37 percent of the popular vote, while Perot received 19 percent—the best showing for a third-party candidate since 1912—but no electoral votes.

As the first president born after World War II, the 46-year-old Clinton was the first person from the baby boom generation to enter the White House. It was his task to revive the economy and guide the United States in a rapidly changing world.

 **Reading Check** **Summarizing** Why did President Bush lose popularity as the 1992 election approached?

Vocabulary

1. Explain the significance of: perestroika, glasnost, Boris Yeltsin, Tiananmen Square, Saddam Hussein, downsizing, capital gains tax, H. Ross Perot, grassroots movement.

Main Ideas

- 2. Explaining** How did perestroika and glasnost create conditions that led to the fall of the Soviet Union?
- 3. Describing** What actions did the United States take in Panama in 1989?
- 4. Determining Cause and Effect** How did the huge deficits from the Reagan years lead to economic problems under George Bush?

Critical Thinking

- 5. Big Ideas** How did the economy affect the 1992 election?
- 6. Organizing** Use a graphic organizer similar to the one below to list the causes of the recession of the early 1990s.

Budget Problems	Economic Problems	Foreign Developments

- 7. Analyzing Visuals** Examine the map on page 764. Which nations have significant oil resources?

Writing About History

- 8. Descriptive Writing** Suppose that you are traveling in West Germany in 1989 when the Berlin Wall is being torn down. Write a letter to a friend at home to describe the event and how you think it will affect the United States.



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Chapter 22 VISUAL SUMMARY



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Causes of the New Conservatism

- The Cold War promotes strong foreign policy and an emphasis on minimal government interference in economics.
- Cold War fears of communism encourage many religious Americans to turn to conservative ideas.
- Many Americans are disturbed by the protests, demonstrations, and violence of the 1960s.
- The population growth in the Sunbelt increases support for conservative politicians.
- The rise of an evangelical movement willing to use politics to change society and defend its values helps mobilize conservative voters.
- Frustration with rising taxes and government regulation, especially in the South and West, turns many voters to conservative ideas.
- Both Western conservatives and Southern conservatives come to see the Republican Party as the more conservative party.



▲ Part of the new conservative movement drew support from Americans who were fed up with high taxes.



▲ The summit between President Reagan and Mikhail Gorbachev created an easing of tensions between the U.S. and Soviet Union.

The Reagan Administration

- Ronald Reagan is elected president in 1980 and 1984.
- Reagan promotes supply-side economics and pushes large tax cuts through Congress.
- Many industries are deregulated, helping spur a boom in the oil, transportation, and communications industries.
- A political debate over cutting government programs rather than expanding them shapes the domestic politics of the era.
- Reagan's administration takes a strong anti-Communist stance in Latin America, the Caribbean, and the Middle East, providing aid to groups that resist communism.
- The nation begins a sustained military buildup to put pressure on the Soviet economy; in addition the United States begins work on anti-missile "Star Wars" technology.
- The failure to cut domestic programs, combined with increased military spending, drives the growing budget deficit to record levels.
- Energy prices fall, the economy grows rapidly, and stock market values soar.
- The farm debt crisis and deregulation of the banks leads to the collapse of many family farms, and many savings and loan institutions.
- Under great economic stress, the Soviet Union introduces perestroika and glasnost; communism falls across Eastern Europe in 1989, and then the Soviet Union collapses in 1991.

Reviewing Vocabulary

Directions: Choose the word or words that best complete the sentence.

1. Political views held by _____ include the belief that the government should regulate the economy to protect people from the power of large corporations.
 - A economists
 - B liberals
 - C conservatives
 - D televangelists

2. Reagan based his policies on _____, a philosophy that advocates tax cuts to improve the economy.
 - A monetarist economics
 - B supply-and-demand economics
 - C microeconomics
 - D supply-side economics

3. A new business model known as _____ had a major impact on the economy starting in the 1980s.
 - A superstations
 - B wholesale retailing
 - C discount retailing
 - D direct mail

4. One part of Mikhail Gorbachev's plan to improve conditions in the Soviet Union was to allow _____, or increased freedom in speech, religion, and political discussion.
 - A glasnost
 - B perestroika
 - C contra
 - D rights of assembly

5. To combat the recession of the late 1980s, and searching for greater efficiency, many corporations began laying off employees, a process called
 - A downsizing.
 - B mass firing.
 - C horizontal integration.
 - D vertical integration.

Need Extra Help?

If You Missed Questions . . .	1	2	3	4	5	6	7	8
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Reviewing Main Ideas

Directions: Choose the best answer for each of the following questions.

Section 1 (pp. 740–745)

6. One main difference between liberals and conservatives is that, generally,
 - A conservatives believe in government regulation of the economy, while liberals do not.
 - B liberals believe in government regulation of the economy, while conservatives do not.
 - C conservatives believe that all power should be held by the national government, while liberals do not.
 - D liberals believe that all power should be held by the states, while conservatives do not.

7. Which of the following two groups had added their support to conservatives by the 1980s?
 - A African Americans and urbanites
 - B Northerners and Easterners
 - C Democrats and women
 - D Sunbelters and suburbanites

Section 2 (pp. 746–753)

8. Critics of Reagan's economic policy referred to it as "trickle-down economics" because they
 - A believed that the plan would work, allowing wealth to "trickle down" to the middle and lower classes.
 - B ridiculed the idea that much wealth would "trickle down" to the middle and lower classes.
 - C believed that the plan was messy and would cause a great deal of wasteful government spending.
 - D agreed that the richest people would share their wealth with the neediest in society.

TEST-TAKING TIP

Read each answer choice and eliminate the ones that simply do not make sense for the given question.

GO ON

Chapter 22 ASSESSMENT

9. The Strategic Defense Initiative (SDI) was proposed to strengthen defense by
- A preventing the expansion of Communist countries.
 - B re-emphasizing the use of infantry troops in future wars.
 - C developing weapons to intercept incoming missiles.
 - D severely reducing the number of American troops stationed worldwide.

Section 3 (pp. 754–759)

10. Which technology became available during the 1980s?
- A the digital video recorder
 - B the video cassette recorder
 - C the personal digital assistant
 - D the digital watch
11. A major focus of U.S. social activism in the 1980s was
- A gun control.
 - B illiteracy.
 - C drug abuse.
 - D poverty.

Section 4 (pp. 762–767)

12. The result of the failed Communist coup in Moscow in August 1991 was that
- A Boris Yeltsin became president of the Soviet Union.
 - B the Soviet republics declared independence.
 - C the Berlin Wall was taken down by bulldozers.
 - D the United States sent troops into Saudi Arabia.
13. In response to events in Tiananmen Square in China, the United States and other nations
- A sent weapons and money to the rebels.
 - B halted arms sales and reduced their diplomatic contacts with China.
 - C made plans for a summit meeting with China to express their concerns.
 - D sent in troops to help free the imprisoned protesters.

Critical Thinking

Directions: Choose the best answers to the following questions.

14. The religious right joined the conservative movement because they
- A were concerned about American values and morality.
 - B wanted more liberal social welfare programs.
 - C felt that the U.S. had been too aggressive with the U.S.S.R.
 - D wanted government regulation of local churches.
15. The huge number of baby boomers affected the economy of the 1980s because they
- A were driven to acquire material goods and social success.
 - B pushed for increased government spending for the poor.
 - C rejected worldly success as members of the Moral Majority.
 - D were beginning to draw Social Security benefits.

Base your answer to question 16 on the graph below and your knowledge of Chapter 22.



16. How much money was spent on national defense in 1986?
- A approximately 500 billion dollars
 - B more than 500 billion dollars
 - C approximately 250 billion dollars
 - D less than 250 million dollars

Need Extra Help?

If You Missed Questions ...	9	10	11	12	13	14	15	16
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GO ON

17. The beginning of the collapse of communism in Eastern Europe is most closely associated with the
- A fall of the Berlin Wall.
 - B admission of Warsaw Pact nations to the North Atlantic Treaty Organization (NATO).
 - C intervention of the North Atlantic Treaty Organization (NATO) in Yugoslavia.
 - D formation of the European Union.

Analyze the cartoon and answer the question that follows. Base your answer on the cartoon and on your knowledge of Chapter 22.



18. What is the cartoonist saying about Gorbachev's policies?
- A Marx, Lenin, and Stalin would approve of his policies of glasnost and perestroika.
 - B Marx, Lenin, and Stalin would disapprove of restructuring the Soviet economy and allowing some private enterprise.
 - C Marx, Lenin, and Stalin would approve of glasnost, or allowing more freedom of religion and speech.
 - D Marx, Lenin, and Stalin would disapprove of the expansion of communism to Eastern Europe.

Document-Based Questions

Directions: Analyze the document and answer the short-answer questions that follow the document.

President Ronald Reagan addressed the American people at the end of his presidency in 1988. The following is an excerpt from that address:

The way I see it, there were two great triumphs, two things that I'm proudest of. One is the economic recovery, in which the people of America created—and filled—19 million new jobs. The other is the recovery of our morale. America is respected again. . . .

Common sense told us that when you put a big tax on something, the people will produce less of it. So, we cut the people's tax rates, and the people produced more than ever before. The economy bloomed. . . . Common sense told us that to preserve the peace, we'd have to become strong again after years of weakness and confusion. So, we rebuilt our defenses, and this New Year we toasted the new peacefulness around the globe. . . .

—from *Speaking My Mind*

- 19. What did Reagan believe were his greatest accomplishments?
- 20. How did Reagan feel his administration preserved peace?

Extended Response

21. In the late 1980s, the Cold War came to an end with the disintegration of the Warsaw Pact, the fall of the Berlin Wall, and the collapse of the Soviet Union. In an expository essay trace the events that led to the end of this global conflict and explain why you think the conflict ended when it did. In your essay, include an introduction, a conclusion, and at least three paragraphs with details from the chapter.



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Need Extra Help?

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