

Chapter Summary

Section 1: The Conservative Movement Grows

The modern conservative movement led by Ronald Reagan affected the nation's policies for decades. This movement, with its principle of limited government, grew as liberal programs lost their appeal and religious groups increasingly supported the Republican Party.

Section 2: The Reagan Revolution

The Reagan presidency embraced supply-side economics, which championed tax cuts as a means to economic growth. Reagan won reelection in 1984. Despite economic growth, Reagan and his successor faced challenges including public education problems and AIDS.



Chapter Summary (continued)

Section 3: The End of the Cold War

Reagan believed that the United States should pursue a policy of strength toward the Soviet Union. He increased defense spending and supported anticommunist factions around the world.

Section 4: Foreign Policy After the Cold War

After the Cold War ended, the United States stood alone as the world's only superpower. Embracing this new role, the U.S. became involved in a number of regional trouble spots. The Middle East drew American attention as the Persian Gulf War erupted during the George H.W. Bush presidency.

Objectives

- Describe the differences between liberal and conservative viewpoints.
- Analyze the reasons behind the rise of conservatism in the early 1980s.
- Explain why Ronald Reagan won the presidency in 1980.



Terms and People

- **liberal** – a person who generally supports government intervention to help the needy and protect the rights of women and minorities
- **conservative** – a person who generally supports limited government involvement in the economy and community help for the needy, and upholds traditional values
- **New Right** – a resurgent political movement that was a coalition of several conservative groups

Terms and People (continued)

- **unfunded mandate** – programs required but not paid for by the federal government
- **Moral Majority** – a political organization founded by Jerry Falwell in 1979 to advance religious goals
- **Ronald Reagan** – the Republican candidate for president in 1980, who won the election with the help of the growing conservative movement



What spurred the rise of conservatism in the late 1970s and early 1980s?

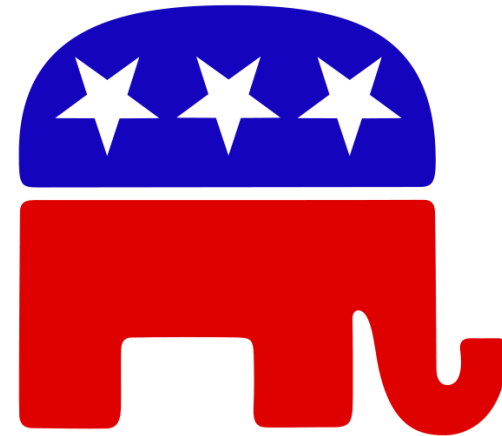
After losing the 1964 election in a landslide, conservatives built an organization that vigorously promoted their goals and values.

In 1980, Ronald Reagan was elected president; the modern conservative movement he spearheaded deeply affected the nation's policies for decades.

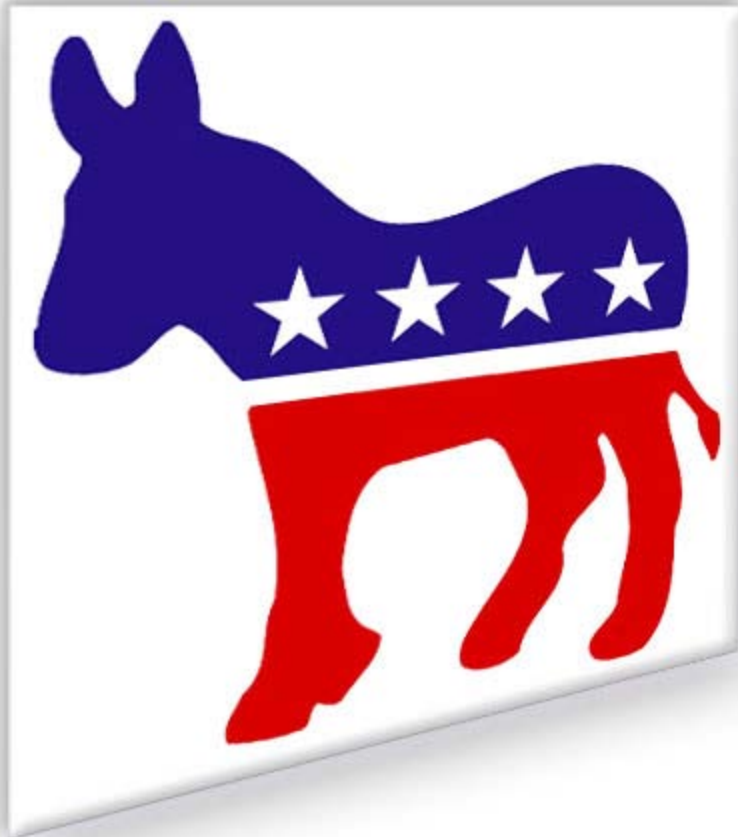
The major U.S. political parties in the late 20th century were the Democrats and Republicans.



Democrats were often labeled **liberals**.



Republicans were usually conservatives.

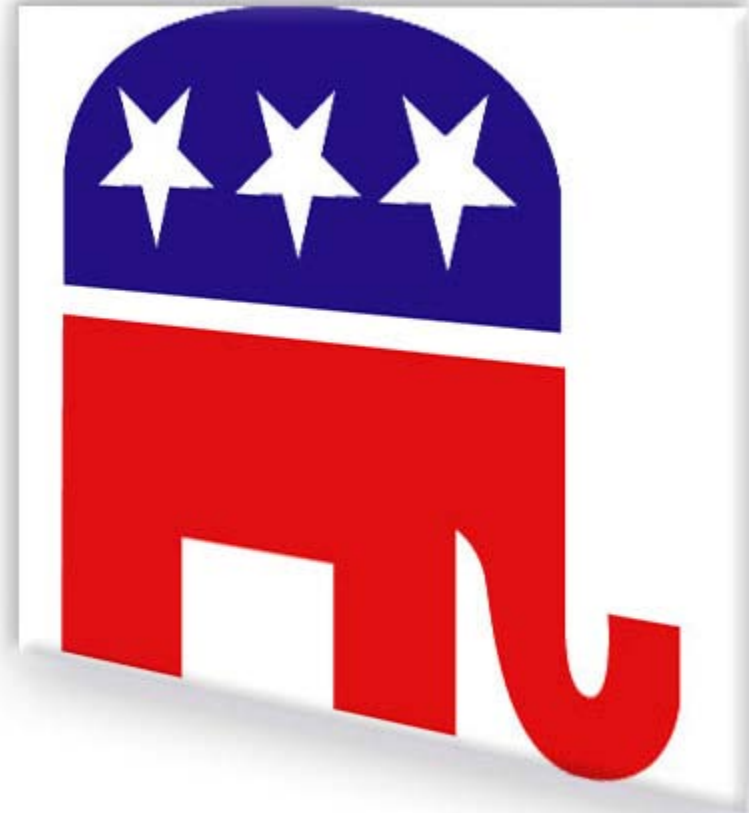


Liberals believed government should:

- support social programs for the disadvantaged.
- protect the rights of minorities.
- regulate industry.
- rely on diplomacy to solve international problems.

Conservatives believed government should:

- limit wasteful spending on social programs.
- reduce taxes.
- deregulate industry.
- rely on a strong national defense and actively fight communism in other countries.



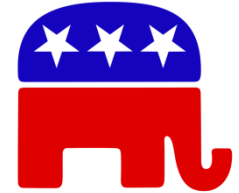
Liberals and conservatives differed over social and political issues.

- Some conservatives thought that the new freedoms exemplified by the counterculture posed a **danger to traditional society.**
- Liberal programs, such as welfare and busing, were seen by some as **threatening the American dream.**
- Conservatives thought that **taxes on citizens were too high.**



In the 1960s and 1970s, differences between the Republican and Democratic parties grew.

Liberal Democratic policies were strongly criticized.



The Democratic Party unraveled in part because of

- the Vietnam War
- urban riots.

Public faith in the federal government was weakened by

- the Iran hostage crisis.
- the oil crisis of the 1970s.

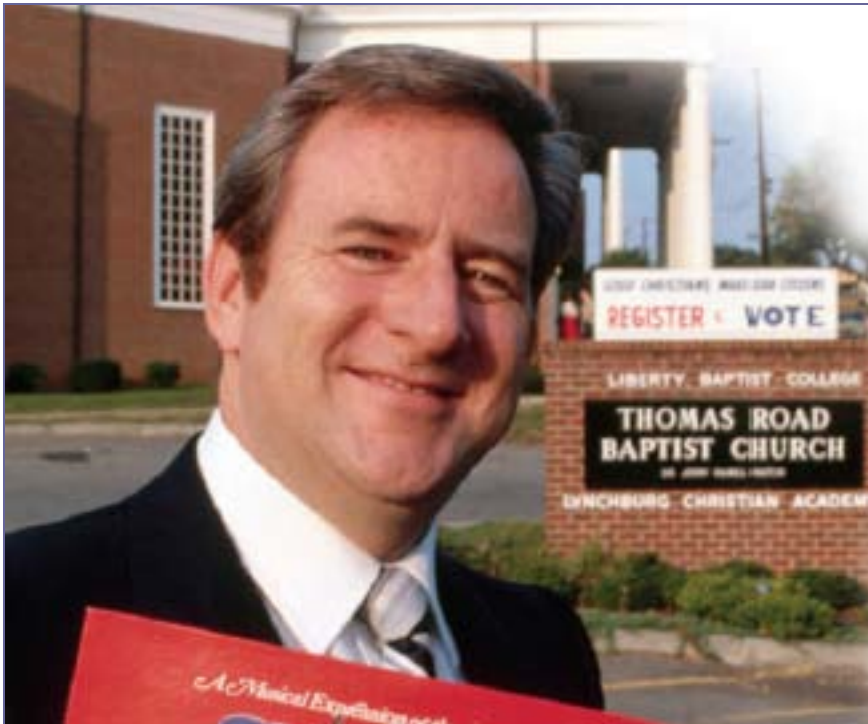
A resurgent conservative movement called the **New Right** emerged, made up largely of Republicans.



Conservatives argued that the government taxed too heavily and complained about **unfunded mandates.**

They also thought that President's Johnson's promise of a Great Society increased poverty and even contributed to the **decline of traditional family values.**

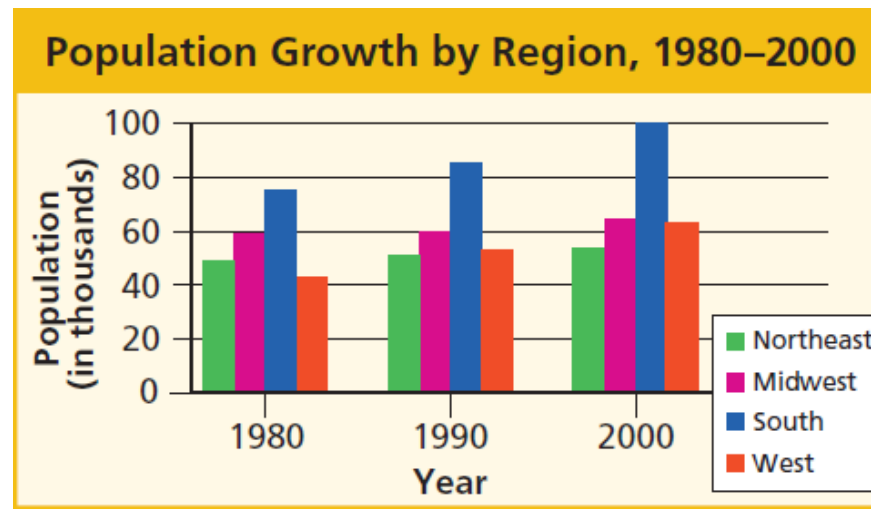
Religious groups began to actively support the conservative movement.



The **Moral Majority**, a political organization formed by Rev. Jerry Falwell, worked to fulfill religious goals.

It backed the Republican Party.

Republicans also benefited from population trends. The Democratic stronghold in northern cities weakened.

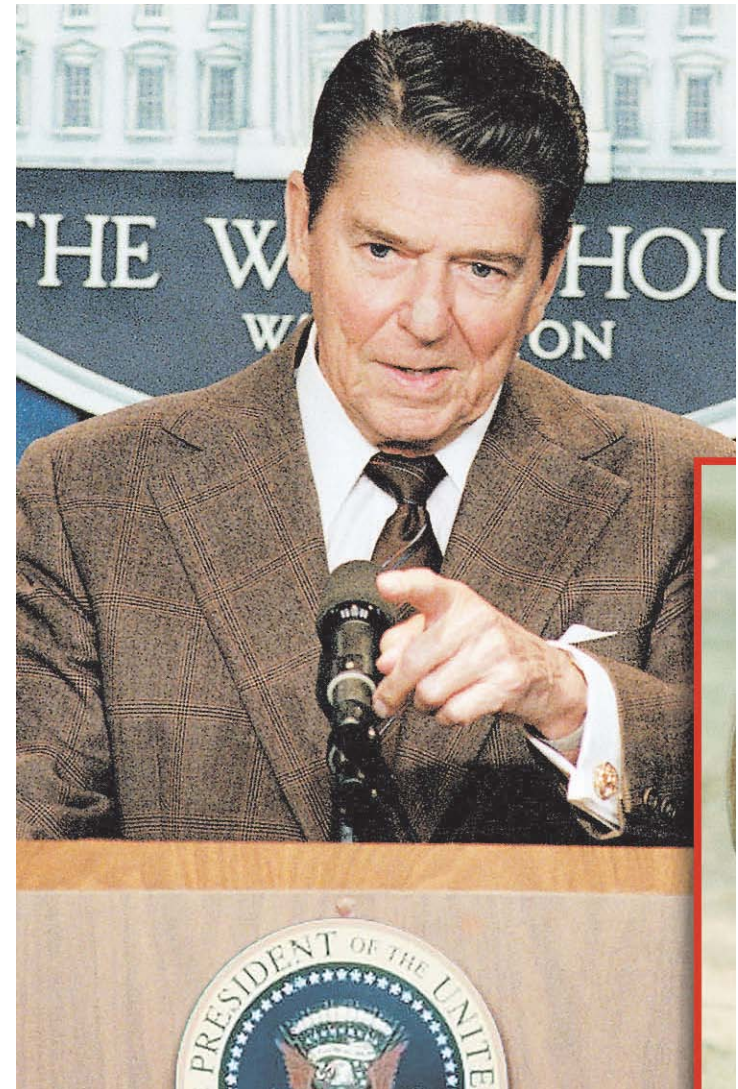


After civil rights legislation was championed by Democrats in the 1960s, many white southerners became Republicans.

The 1980, the Republican presidential nominee, **Ronald Reagan** asked:

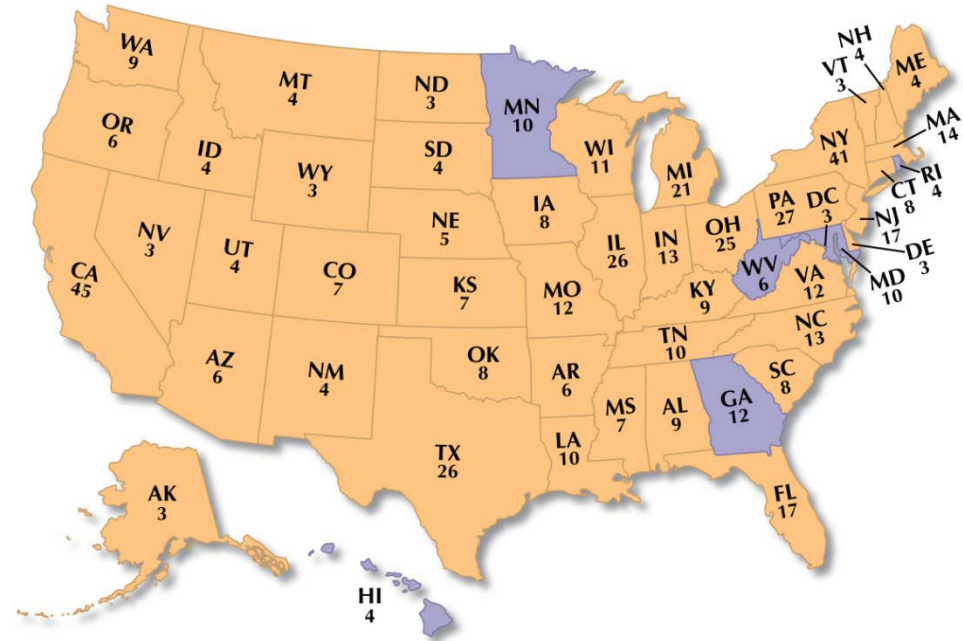
Are you better of today than you were four years ago?

Most people said, "No."



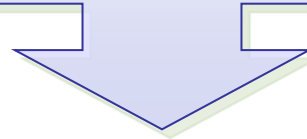
The race for the presidency in 1980 was close.

Reagan tipped the balance in his favor during the one and only televised debate against Democratic incumbent Jimmy Carter.



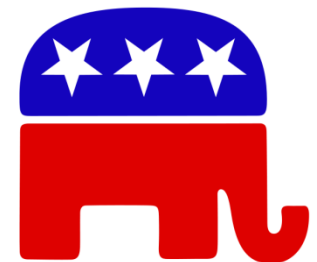
Candidate (Party)	Electoral Vote	Popular Vote	% Electoral Vote	% Popular Vote
Ronald Reagan (Republican)	489	43,642,639	90.9	50.6
James Carter (Democratic)	49	35,480,948	9.1	41.2
John Anderson (Independent)	—	5,719,437	—	6.6

In 1980, the conservatives were back.



Ronald Reagan won the presidency with 50.6 percent of the popular vote.

The Republicans achieved the majority in the Senate for the first time in 25 years.



Objectives

- Analyze Reagan's economic policies as President.
- Summarize how Reagan strengthened the conservative movement.
- Evaluate the steps taken to address various problems in the 1980s and early 1990s.



Terms and People

- **supply-side economics** – an economic theory which holds that the government should increase the supply of labor and goods, rather than government spending, to achieve economic goals
- **deregulation** – the reduction or removal of government control over industry
- **budget deficit** – the shortfall between the amount of money spent and the amount of money taken in by the government
- **national debt** – the amount of money the federal government owes to owners of government bonds

Terms and People (continued)

- **Savings and Loan crisis** – the failure of 1,000 savings and loan banks in 1989 due to risky business practices
- **voucher** – a government check that could be used by parents to pay tuition at private schools
- **AIDS** – Acquired Immunodeficiency Syndrome, a disease with no known cure that attacks the immune system; began spreading in the early 1980s



What were the major characteristics of the conservative Reagan Revolution?

Conservatives celebrated the election of Ronald Reagan to the presidency, referring to it as the “Reagan Revolution.”

The Reagan Revolution brought a significant shift in the political direction of the nation.

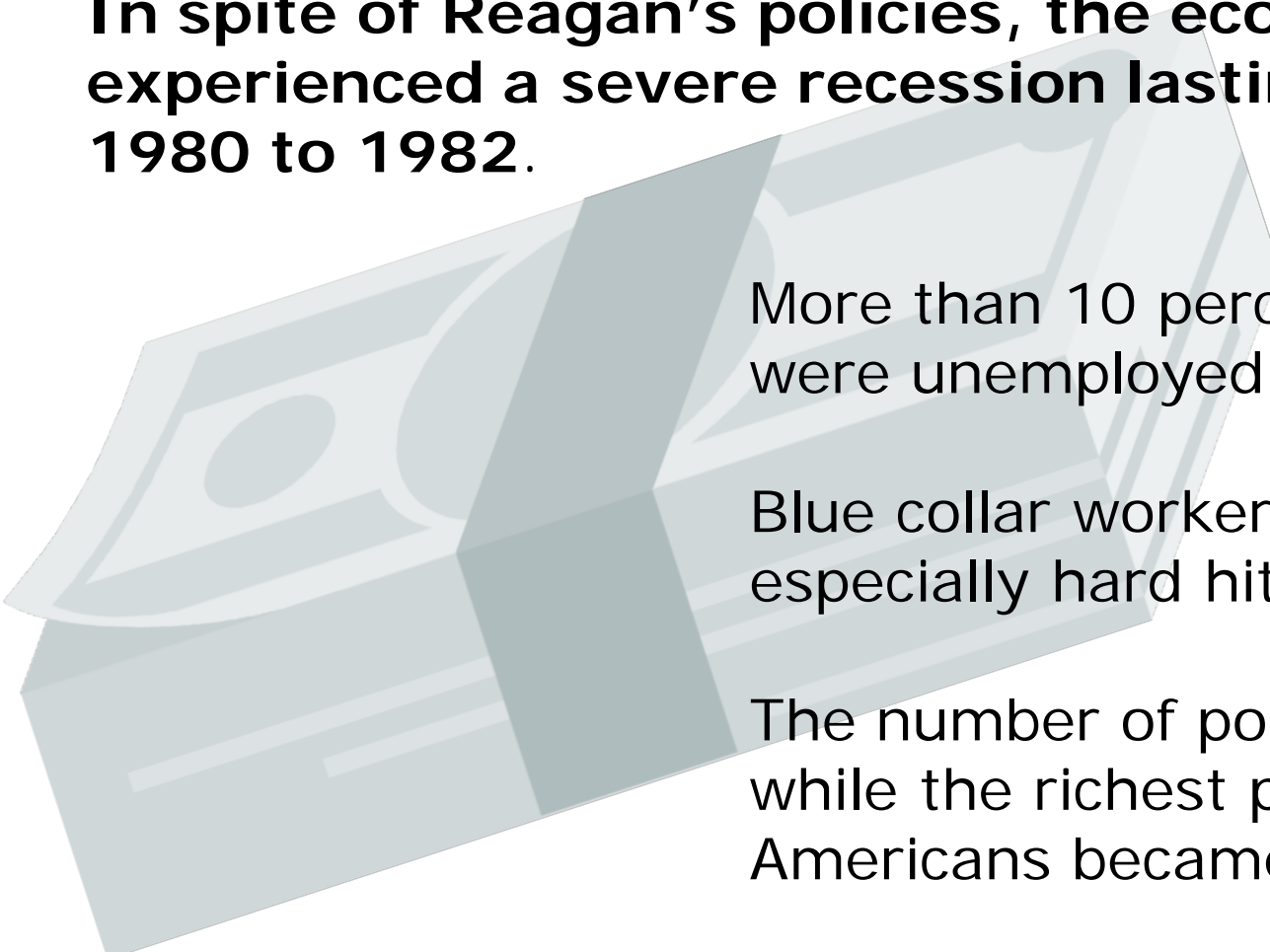
Reagan based his economic policy on the theory of **supply-side economics**. He believed that lower taxes would increase spending.



- His **Economic Recovery Act of 1981** cut taxes by 25 percent.
- He convinced Congress to cut \$40 billion from the federal budget, largely from social programs.
- He brought **deregulation** to many industries, including banking.

Some people referred to the his economic policies as **Reaganomics**.

In spite of Reagan's policies, the economy experienced a severe recession lasting from 1980 to 1982.



More than 10 percent of workers were unemployed.

Blue collar workers were especially hard hit.

The number of poor people grew, while the richest percentage of Americans became richer.

The recession ended in 1983. The economy began to rebound, but other economic problems persisted.

Reagan increased defense spending, but did not persuade Congress to make huge budget cuts in other areas.

In 1985, Congress passed the Gramm-Rudman-Hollings Act, requiring automatic cuts in federal spending.

Nevertheless, the federal **budget deficit** grew from \$79 billion in 1981 to \$221 billion in 1986.

The **national debt** rose to \$2.5 trillion.



In 1989, the **Savings and Loan crisis** occurred.

About 1,000 banks failed due to **fraudulent behavior and risky loans**.

The federal government spent more than \$200 billion to bail them out.

Many blamed Reagan's **deregulation policies** for allowing banks to make such risky investments.

Despite the deficit, the growing economy made Reagan a very popular president who strengthened the conservative cause.

He appointed conservative justices to the Supreme Court, including Sandra Day O'Connor, the first female justice.

He promoted legislation allowing religious groups access to public school facilities.

Reagan easily won reelection in 1984, but the Democrats retained control of the House of Representatives.

Reagan's Vice President
George H.W. Bush
won the presidency
in 1988 by calling for
a "kinder, gentler nation"
and promising not
to raise taxes.



Challenging issues from the 1980s would continue to confront Bush.

- the rising costs of Social Security
- the budget deficit
- the failure of public education

Bush called for community volunteers to provide services for the needy. He supported the use of **vouchers** in public schools.



A new disease appeared in 1981 called **Acquired Immunodeficiency Syndrome (AIDS)**.

AIDS

President Reagan responded slowly to the AIDS crisis. Funding for research on the disease rose during George H.W. Bush's term.

Nevertheless, by 1994, AIDS had killed more than 250,000 Americans.

Objectives

- Analyze the ways that Ronald Reagan challenged communism and the Soviet Union.
- Explain why communism collapsed in Europe and in the Soviet Union.
- Describe other foreign policy challenges that faced the United States in the 1980s.



Terms and People

- **Strategic Defense Initiative** – President Reagan's plan to develop innovative defenses to guard the U.S. against nuclear missile attacks
- **Contras** – anticommunist counterrevolutionaries in Nicaragua who were backed by the Reagan administration
- **Mikhail Gorbachev** – the President of the Soviet Union beginning in 1985 who ushered in a new era of social and economic reforms

Terms and People (continued)

- ***glasnost*** – Russian term meaning “a new openness,” a policy in the Soviet Union in the 1980s calling for open discussion of national problems
- ***perestroika*** – a policy in the Soviet Union in the 1980s calling for restructuring of the stagnant Soviet economy
- **Iran-Contra affair** – a political scandal under President Reagan involving the use of money from secret arm sales to Iran to illegally support the Contras in Nicaragua



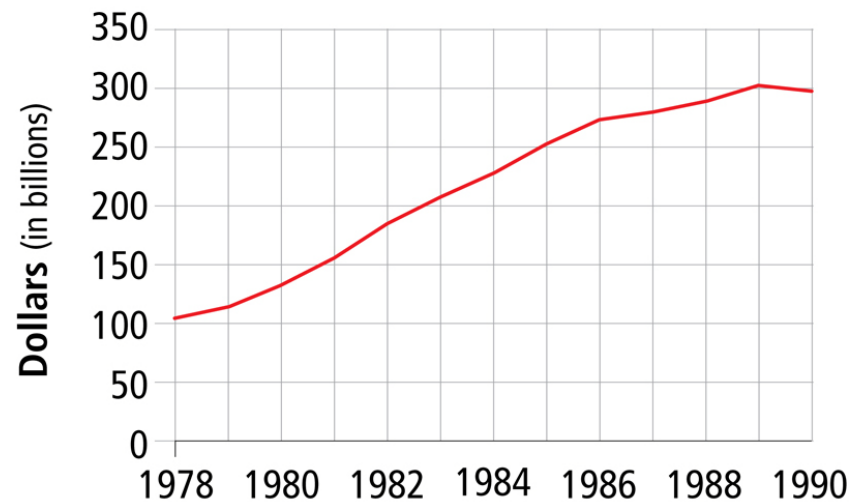
What were Reagan's foreign policies, and how did they contribute to the fall of communism in Europe?

President Reagan believed that the United States should seek to roll back Soviet rule in Eastern Europe and that peace would come through strength.

His foreign policies initially created tensions between the superpowers, but **ultimately contributed to the end of the Cold War.**

President Reagan believed that communism could be weakened by building up the U.S. military.

Federal Defense Spending, 1978–1990



SOURCE: *Statistical Abstract of the United States*

The military build-up included the **Strategic Defense Initiative**.

This led to a dramatic increase in defense spending.

The Reagan administration supported many anticommunist groups around the world.

- Afghanistan
- El Salvador
- Grenada
- **Contras** in Nicaragua

Reagan called the Soviet Union an “evil empire” during his first term in office.

Mikhail Gorbachev became the President of the Soviet Union in 1985.

His twin policies of *glasnost* and *perestroika* moved the Soviet Union away from socialism and marked the beginning of a new era in U.S.–Soviet relations.

In 1989, several Eastern European nations ousted their communist regimes.

The fall of the Berlin Wall in Germany symbolized the end of communism in Europe.



The Soviet Union broke apart in 1991.



Newly elected President George H.W. Bush **signed agreements** with Gorbachev, and his successor President Boris Yeltsin.

They **pledged friendship** and cooperation and **reduction** in the buildup of nuclear weapons.

The Cold War, which had lasted more than 45 years, **was finally over**.

But the U.S. continued to confront trouble in the Middle East.



The U.S. clashed with Libya throughout the 1980s.
In 1983, 241 American marines were killed in Lebanon.

The **Iran-Contra affair** damaged Reagan's reputation during his second term.



In 1985, the U.S. sold weapons to Iran.



In return, Iran pressured Lebanese terror groups to release some American hostages.



The U.S used the money from gun sales to secretly fund the Contras in Nicaragua.

But Congress banned sending funds to the Contras in 1983.

Several leading Reagan officials were convicted in this scandal, but **Reagan remained popular when he left office.**

Objectives

- Analyze why George H.W. Bush decided to use force in some foreign disputes and not in others.
- Summarize the Persian Gulf War and its results.



Terms and People

- **Manuel Noriega** – Panama's dictator who was arrested by U.S. troops in 1989 and convicted of drug trafficking
- **Tiananmen Square** – the site in Beijing where, in 1989, Chinese students staged prodemocracy protests that were put down by the Chinese government
- **apartheid** – a political system of strict racial segregation in South Africa
- **Nelson Mandela** – the leader of South Africa's antiapartheid movement

Terms and People (continued)

- **divest** – to withdraw investments
- **Saddam Hussein** – the dictator of Iraq, who invaded Kuwait in 1990 in an effort to gain control of 20% of the world's oil production
- **Operation Desert Storm** – 1991 American-led attack on Iraqi forces to expel them from Kuwait



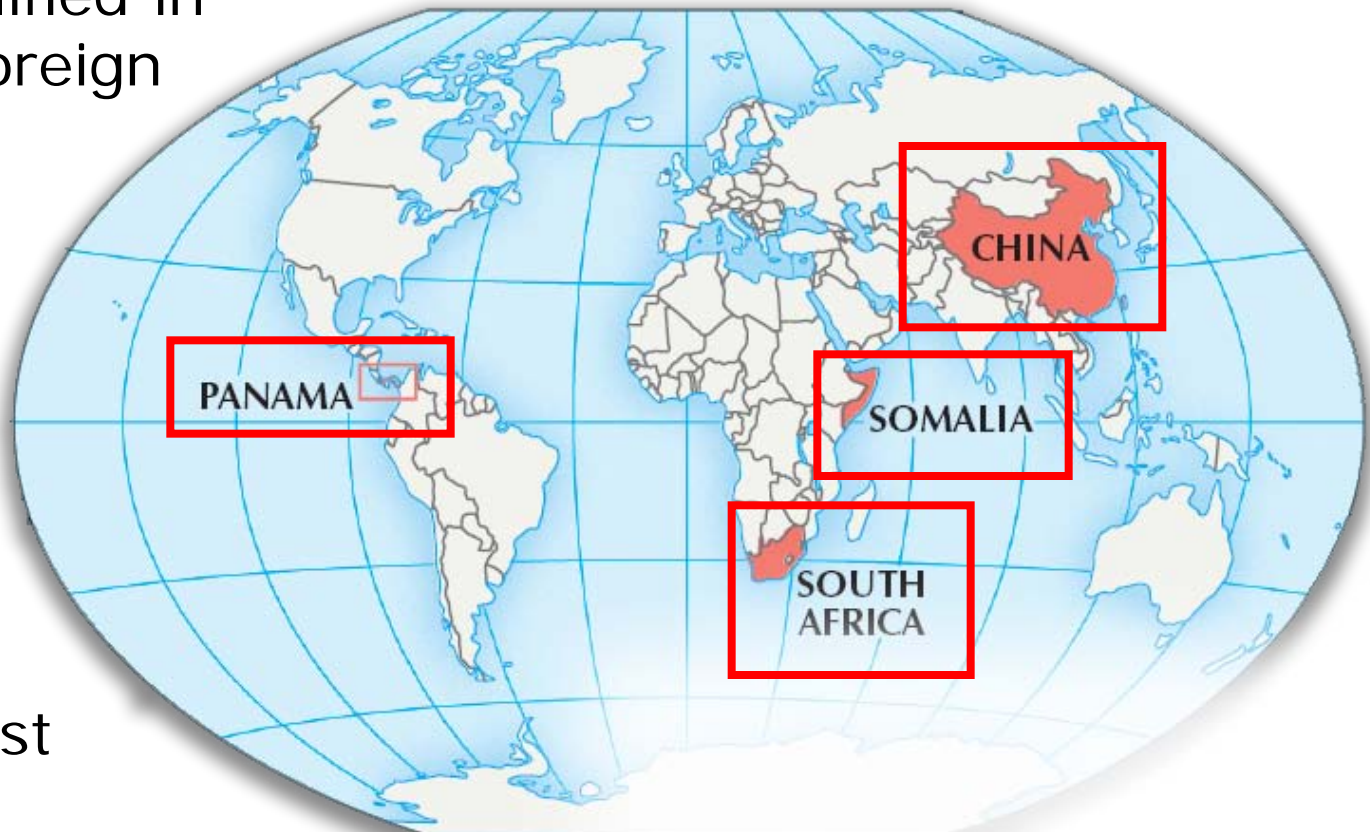
What actions did the United States take abroad during George H.W. Bush's presidency?

When the Cold War ended, Americans hoped a new era of global peace would dawn.

Instead, a dangerous era of regional conflicts challenged the Bush administration.

When President Bush took the helm of the world's only remaining superpower, he was uniquely qualified in the area of foreign relations.

However, a number of difficult international challenges erupted to test his skills.





Bush sent 12,000 U.S. troops to invade Panama. Dictator **Manuel Noriega** was deposed and convicted of drug trafficking.

In China, a prodemocracy protest in **Tiananmen Square** was crushed by Chinese tanks.





In South Africa, democracy replaced segregation.

- Protests against **apartheid** were growing.
- Private firms in the U.S. began to **divest** their South Africa investments to protest its policies.
- **Nelson Mandela**, imprisoned since 1962 for leading the antiapartheid movement, was released from prison in 1990.



Nelson Mandela was elected President of South Africa in 1994.

The Bush administration adopted the role of international peacekeeper, but chose its battles carefully.

When **Yugoslavia** erupted into civil war in 1991, **Bush was reluctant** to get involved.



But in 1992, he sent Marines to **Somalia** to **establish a cease-fire** between rival warlords and to **deliver food to starving people**.

Bush's most significant foreign policy challenge occurred in the Persian Gulf.



In 1990, Iraq's ruthless dictator, **Saddam Hussein**, invaded neighboring Kuwait, determined to take over its significant oil deposits.

The U.S. was determined to repel Hussein's aggression, which threatened to destabilize the Middle East.

Diplomacy and sanctions failed to make Hussein withdraw. The Persian Gulf War began.



Operation Desert Storm, the American-led attack on Iraq, began on January 16, 1991.

The Persian Gulf War

The military operation consisted of five weeks of devastating aerial bombardments on Iraqi forces.

Coalition ground troops stormed into Kuwait on February 23. Within five days, Iraq agreed to a UN cease-fire and withdrew from Kuwait.

Coalition forces were not permitted to pursue Hussein back to Baghdad by UN decree. He lost the war, and 25,000 soldiers, but his regime survived.