

1980-1992

A Conservative ERA

THE BIG PICTURE

Ronald Reagan won the presidency in 1980 by appealing to a discontented electorate with the promise to return to a simpler time and conservative values. Reagan and his successor, George H. W. Bush, presided over the end of the Cold War and huge changes in economic and social policy.

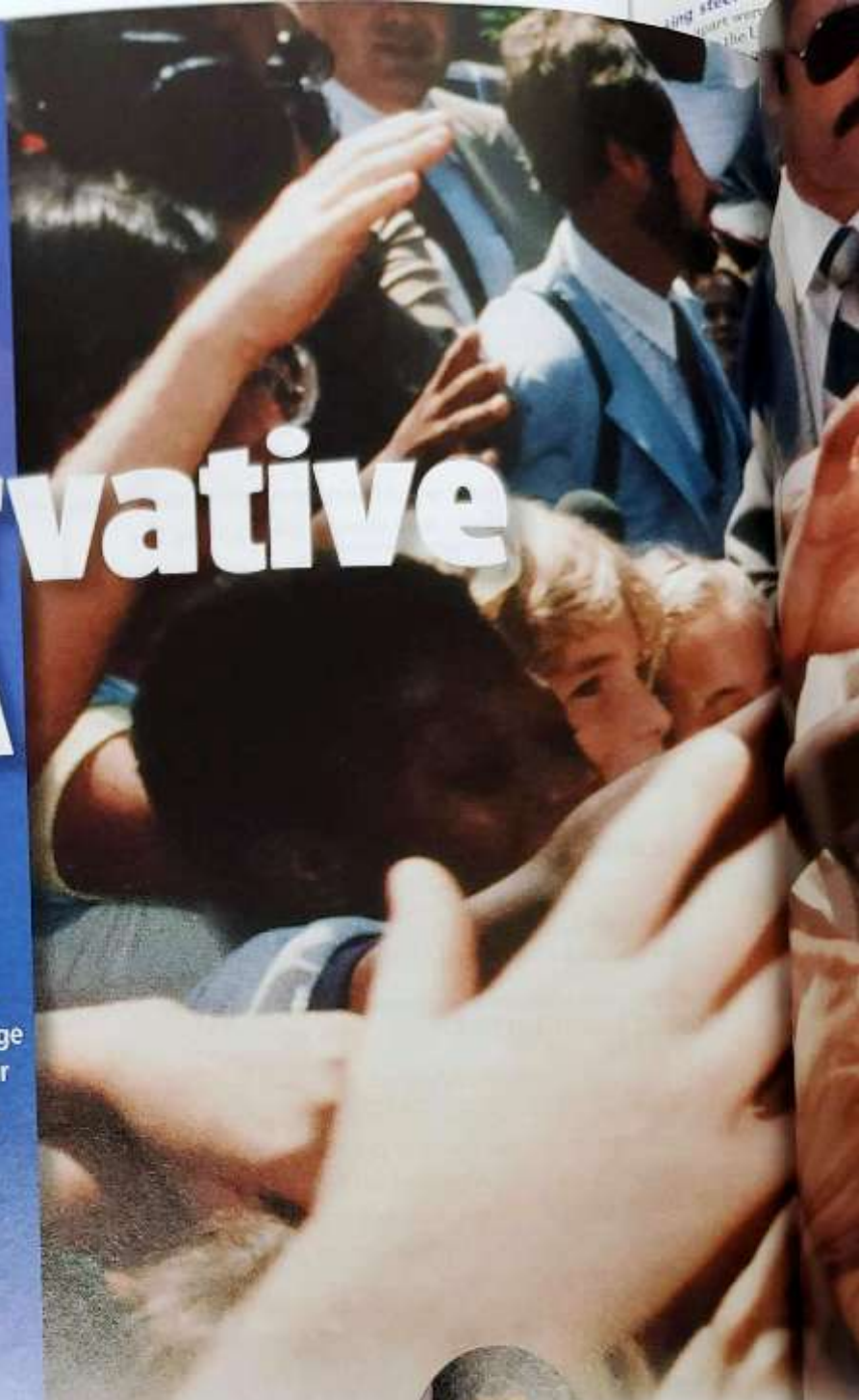
Skills FOCUS

READING STRATEGIES

Reagan loved a crowd, and the crowds loved him. His vitality, gentle humor, and dynamic speaking style charmed even his opponents. In his journey from actor to president, Reagan used all his skills to reach out to voters and persuade America to move in a new direction.

Interpreting Visuals What can you infer about Reagan's personality from this photograph?

See **Skills Handbook**, p. H30



U.S.



1980



World

September
1981

Sandra Day
O'Connor becomes
first female U.S.
Supreme Court Justice.

1980

Lech Walesa's
Solidarity trade
union leads
protests in
Poland.



History's Impact video program

Watch the video to understand the impact of the collapse of the Berlin Wall.



ber
1981
a Day
comes
e U.S.
stice.

1982

Deepest U.S. recession since the Great Depression begins.



November 1985

Reagan and Gorbachev meet in the first of their arms reduction summits.

January 1989

George H. W. Bush becomes president.



February 1991

In First Gulf War, U.S.-led coalition ousts Iraq from Kuwait.

1982

October 1983

Suicide bombers attack U.S. peacekeepers in Lebanon, killing 241.

1984

1986

March 1985

Mikhail Gorbachev becomes leader of the Soviet Union.

1988

June 1989

China crushes pro-democracy protests in Tiananmen Square.

1990

November 1989

Berlin Wall falls as protests bring down Communist regimes in Eastern Europe.

1992



Reagan's First Term

BEFORE YOU READ

MAIN IDEA

In 1980 Americans voted for a new approach to governing by electing Ronald Reagan, who powerfully promoted a conservative agenda.

READING FOCUS

1. As the 1980 presidential election approached, why was America a nation ready for change?
2. What was the Reagan revolution, and who supported it?
3. What were the key ideas of Reagan's economic plan, and what were its effects?

KEY TERMS AND PEOPLE

Ronald Reagan
New Right
Jerry Falwell
Nancy Reagan
David A. Stockman
supply-side economics
budget deficit

TAKING NOTES

As you read, take notes on Reagan's goals for government and the economy. Record your notes in a graphic organizer like the one shown here.

President Reagan's Goals

"A City UPON A HILL"

▼ Reagan's ease in front of an audience and gifted speaking style gave him wide appeal.

THE INSIDE STORY

What event marked the rise of the Reagan revolution?

As California governor Ronald Reagan faced an audience in Washington, D.C., on January 25, 1974, he was witnessing something new. It was the first-ever Conservative Political Action Conference. Reagan was among friends.

Modern conservative politics had been born in defeat. Senator Barry Goldwater of Arizona, whom Reagan had supported, lost the 1964 presidential race in spectacular fashion. Richard Nixon had brought some conservative credentials into office when he was elected president in 1968, but his administration had been wracked with scandals. By 1974 conservatives were looking for someone to lead them.

Ronald Wilson Reagan was the man they were looking for. As he spoke to the crowd, Reagan laid out themes that would become familiar to the nation in the years ahead. He spoke of the need for greater military strength. He criticized the size and inefficiency of government. He praised the accomplishments of American business and the wonder of the free enterprise system.

Drawing on his gift at using stories to illustrate his points, Reagan reached back into American history to a sermon given in 1630 by John Winthrop, the first governor of Massachusetts Bay Colony. He reminded his listeners that Winthrop had compared the colony to "a city upon a hill" with "the eyes of all people upon us." Driven by hope and a love of freedom, America was Reagan's vision of that "city upon a hill."

Reagan's day in the national spotlight was still years away. Yet on that January day in 1974, it was possible to see it coming. ■



A Nation Ready for Change

When Ronald Reagan declared in a 1974 speech that "We are not a sick society," he sounded a theme that would carry him throughout his political career. When he proclaimed that "we are today, the last best hope of man on earth," he set a positive tone that would define his two-term presidency.

America in low spirits The scene was set for change as the 1980 presidential election approached. Opinion polls showed a lack of confidence in government. Political observers said America had fallen into a state of malaise, a depressed or uneasy mood. Indeed, there were plenty of reasons to be uneasy.

The turbulence of the 1960s had been followed by the Watergate scandal. Under President Carter, the United States seemed powerless as the Soviets invaded Afghanistan and Iranian militants took American embassy workers hostage. At home, Americans waited in long gasoline lines and wondered why foreign firms had so much power over their lives.

President Carter responded to the growing public discontent in a television speech on July 15, 1979. He said the nation faced a "crisis

of confidence." While accepting a large dose of blame, he urged citizens to control their appetite for consumer goods to ease inflation and reduce reliance on foreign oil. Critics accused Carter of blaming Americans instead of fixing the problems. The president's appeal became known as the malaise speech.

Beneath the malaise, however, a political movement was gathering force during the 1970s. Its roots lay deeper than any temporary anger over crises such as gas lines and the hostage situation. The growing conservative movement opposed liberal social and racial policies, including abortion rights, forced busing to achieve school desegregation, welfare, and affirmative action. This opposition, combined with general discontent with Carter, spelled electoral trouble for the president.

The 1980 election Projecting energy and youth at age 69, Republican presidential nominee Ronald Reagan tried to turn voters' attention away from the nation's problems. He said the country needed to return to a simpler time of low taxes, smaller government, a stronger military, and conservative moral values. His message focused on five words: "family, work, neighborhood, peace, and freedom."

ACADEMIC VOCABULARY

welfare *noun*
assistance to the needy

THE ELECTION OF 1980



GEOGRAPHY SKILLS

INTERPRETING MAPS

- 1. Region** What does this map show you about Americans' dissatisfaction with President Carter?
 - 2. Location** How many states did Carter carry in the election?
- See **Skills Handbook**, p. H21

| Candidate | Political Affiliation | Electoral Votes | Popular Vote |
|------------------|-----------------------|-----------------|--------------|
| Ronald W. Reagan | Republican | 489 | 51.6% |
| James E. Carter | Democratic | 49 | 41.7% |
| John Anderson | Independent | 0 | 6.7% |

In a debate with Carter, Reagan asked, "Are you better off today than you were four years ago?" For many, struggling with 13 percent inflation, high taxes, and a seemingly powerless government, the answer was "No."

Despite the entrance of Republican representative John Anderson as a third-party candidate, Reagan and his running mate, George H. W. Bush, won in a landslide of electoral votes. Republicans also won control of the Senate for the first time since 1955. In what seemed to be a final insult to Carter, the American hostages in Iran were released just hours after Reagan was sworn in as president.

READING CHECK **Identifying Cause and Effect** What factors led to Carter's downfall in the election of 1980?

The Reagan Revolution

One word will forever be linked to the name of Ronald Wilson Reagan: optimism. By all accounts—even those of his political opponents—Reagan had an infectiously cheerful outlook on life and the world. Yet beneath his

relaxed manner, Reagan possessed a deep determination to reshape not only the United States, but also the world.

From actor to governor During his career as a modestly successful movie actor, Reagan was a union leader and an active member of the Democratic Party. During the 1950s as spokesperson for the General Electric Company, he sharpened his public-speaking skills and became a champion of free enterprise. He grew to be increasingly at odds with Democratic policies, and in 1962 he found his home in the Republican Party.

Reagan adopted the conservative cause with zest. In a 1964 speech urging support for Senator Goldwater, Reagan delivered a powerful critique of liberal government, from the New Deal to the Great Society. On taxes, he warned: "Today, 37 cents out of every dollar earned in this country is the tax collector's share." Government, he declared, "does nothing as well or as economically as the private sector of the economy." He warned against appeasing the Soviets, calling communism "the most dangerous enemy that has ever faced mankind."

American Civil Liberty

Smaller Government

In his inaugural address in 1981 Ronald Reagan said, "All of us need to be reminded that the federal government did not create the states; the states created the federal government." With these words, Reagan introduced his goal of reducing the power of the federal government.

Reagan believed that federal spending was too high and that complex laws intruded on free enterprise and personal freedoms. "Our citizens feel they have lost control of even the most basic decisions made about the essential services of government, such as schools, welfare, roads, and even garbage collection," he said. He slashed price controls and regulations.

Reagan hoped to expand the economic choices available to Americans by cutting taxes and reducing government spending. During his presidency, taxes were cut, but the bureaucracy increased in size and spending skyrocketed. By the time Reagan left office, the federal government was not only bigger but it was also unable to pay for itself without massive borrowing.

Drawing Conclusions How did Ronald Reagan hope to increase liberty for Americans?



THE CARTOON "LEAVE THE FACADES - IT'LL BE JUST LIKE HOLLYWOOD" BY HERB RITTS IN THE 1981 EDITION OF THE HERB RITTS FOUNDATION

On the strength of the speech, California Republicans recruited him to run for governor in 1966. Reagan easily defeated the incumbent Democrat, Edmund "Pat" Brown. As governor, Reagan had trouble meeting his goals for cutting the size of government. He expressed frustration with the job of controlling a large bureaucracy. After serving two terms, Reagan set his sights on a bigger job. "I'm better qualified to be president than governor," he told a supporter. Reagan would have to wait. He lost the Republican presidential nomination twice, to Richard Nixon in 1968 and to Gerald Ford in 1976. By 1980, however, Reagan had a strong and growing base of support.

Reagan's conservative support Ronald Reagan's journey from New Deal Democrat to conservative Republican made him a hero of a growing movement called the **New Right**. This was a coalition of conservative media commentators, think tanks, and grassroots Christian groups. Many of the groups had been formed to oppose specific liberal causes, such as the abortion rights gained under *Roe v. Wade*.

The New Right advocated major reversals in liberal government, economic, and social policies. The movement endorsed school prayer, deregulation, lower taxes, a smaller government, a stronger military, and the teaching of a Bible-based account of human creation. It opposed gun control, abortion, homosexual rights, school busing to achieve desegregation, the Equal Rights Amendment, affirmative action, and nuclear disarmament.

The New Right grew in influence with the rise of televangelism, or TV ministries led by evangelical Christians. One televangelist leader of the New Right, the Rev. Jerry Falwell, founded a political activist organization called the Moral Majority in 1979. The name came from the group's belief that a majority of Americans agreed with conservative moral values.

Reagan gave the New Right an eloquent and persuasive voice. He drew many Americans to his side, including a large number of Democrats. These so-called Reagan Democrats shifted their allegiance from the Democratic Party in the elections of 1980 and 1984. They voted for Reagan to express their frustration with the Democratic Party's stands on social and racial issues and on national security.



Ronald Reagan earned the nickname the Great Communicator because of his speaking ability and sharp wit. During the 1980 election, after a debate with Jimmy Carter, a reporter asked Reagan if he had been nervous being on stage with the president.

"No, not at all," Reagan replied. Referring to his career as an actor, he added, "I've been on the stage with [acting legend] John Wayne." Reagan entered politics after a long career in Hollywood. As governor of California and president, Reagan powerfully articulated conservatives' desires to reshape the government, reverse Great Society reforms, and battle communism. As the USSR began to reform, Reagan worked with Soviet leaders, helping to end the Cold War.

Explain Why was Reagan known as the Great Communicator?

A powerful personality The stage presence Reagan developed as an actor served him well in politics. On the campaign trail he became known as the Great Communicator. As president he gained the nickname the Great Persuader. To gain support for his programs, he threw his energies and charm into winning over conservative southern and western Democrats in Congress. If that didn't work, he spoke directly to voters through skillful television addresses. The newsmagazine *Time* referred to him as "the velvet steamroller."

Perhaps Reagan's greatest ally was his wife, **Nancy Reagan**, a former actor. She played a major role in running of the White House. She advised her husband on policy issues and fiercely protected his interests. As First Lady, she headed a "Just Say No" antidrug campaign.

Reagan's presidential agenda Reagan's chief goals were largely those of the New Right. He pledged to reduce the federal bureaucracy, deregulate certain industries, cut taxes, increase the defense budget, take a hard line with the Soviet Union, and appoint conservative judges to the federal judiciary.

In his first few months, the president got much of what he wanted. Congress passed a tax cut, eliminated some social programs, reduced the budgets of many federal agencies, and passed the largest-ever peacetime increase in

ACADEMIC VOCABULARY
advocate support, endorse

the defense budget. As head of the executive branch, Reagan could carry out some of his reforms without going to Congress. For example, he instructed federal agencies to roll back regulations on many industries. With each step toward achieving his agenda, Reagan seemed to be answering those who had felt the nation could no longer be governed effectively.

Reagan's image only grew stronger when he survived an assassination attempt in 1981. With a bullet in his left lung, the 70-year-old president kept his sense of humor. "Honey," he told the First Lady, "I forgot to duck." Reagan's positive outlook in the face of adversity created goodwill that helped him achieve his agenda.

Reagan's easygoing manner did not prevent him from taking decisive action. In August 1981 Reagan faced a strike by the nation's air traffic controllers. As federal employees, the 13,000 members of the Professional Air Traffic Controllers' Organization (PATCO) were forbidden to strike. Reagan warned them—and then he fired them all. Despite the resulting confusion at airports, the public generally approved of the president's uncompromising actions.

READING CHECK Summarizing How did Reagan want to change the federal government?

Reagan's Economic Plan

Reagan's blueprint for remaking government required a new economic plan. It was nicknamed Reaganomics. The plan had two goals: 1) reduce taxes to stimulate economic growth, and 2) cut the federal budget. Reagan appointed a controversial young budget director, **David A. Stockman**, to sell his plan to a skeptical Congress. Stockman's job was to get Congress to put the Reagan plan into effect in 40 days.

Supply-side economics Reaganomics was based on an economic theory known as **supply-side economics**. According to that theory, tax cuts and business incentives stimulate investment. Investment encourages economic growth. A growing economy, in turn, results in an increased supply of goods and services. Supply-side theory appealed to conservatives, who supported free enterprise and minimal government regulation.

Stockman pressed Congress for tax cuts for upper-income Americans and for businesses. Supply-side supporters believed that the tax relief would produce a series of benefits. Individuals would invest their tax savings. Businesses would use investment funds to expand and hire more workers. Expanding businesses would generate more tax revenue, allowing the government to eliminate any budget deficit. A **budget deficit** is the amount by which government spending for a year exceeds government income.

Stockman succeeded in getting Congress to pass numerous major components of Reaganomics. During Reagan's first six years as president, tax rates on the wealthiest Americans dropped from 70 percent of their income to 28 percent. Critics claimed that the tax breaks simply made the rich richer. They predicted that little of the new wealth would "trickle down" to the working class, as Reaganomics predicted. Critics also warned that tax cuts, combined with increases in military spending, would force the federal deficit higher, increasing the national debt.

Reagan's vice president, George H. W. Bush, had questioned the plan to cut taxes and boost military spending at the same time. Back in 1980, when Bush was competing with Reagan for the Republican nomination, he had labeled Reagan's plan "voodoo economics."

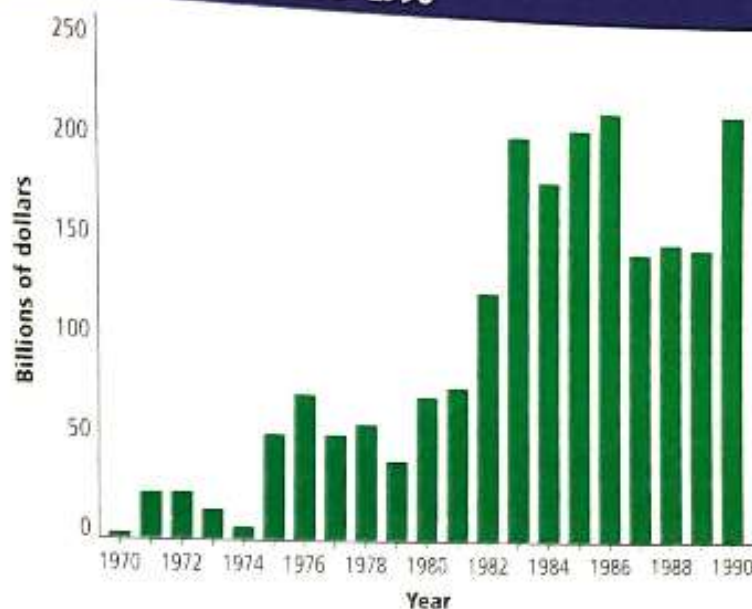


Recession and recovery Events did not go quite according to Reagan's plan. In 1981 and 1982, the nation suffered the worst recession since the Great Depression. Unemployment rose, and government revenues plunged. Meanwhile, federal spending soared, largely because of huge defense increases. With less tax money to pay for the increased government spending, the federal budget deficit skyrocketed. Stockman told a magazine that "None of us really understands what's going on with all these numbers." He left the administration and later wrote a critique of Reaganomics.

The actions of the Federal Reserve Board contributed to the recession. The Federal Reserve had steadily raised interest rates from 1979 to 1982 in an effort to reduce inflation. Higher interest rates made it more expensive for businesses to borrow money to expand.

By 1983, with inflation at a low 4 percent, the Federal Reserve had reduced interest rates. The collapse of OPEC's ability to set high oil prices also helped lower inflation. The economy began to grow at a brisk pace. Economic growth was uneven, however, and largely favored the wealthy. Unemployment eased. Nevertheless, federal revenues lagged far behind spending. Faced with a severe budget crisis, Congress put the brakes on federal spending. In 1985 it passed the Balanced Budget and Emergency

DEFICIT SPENDING, 1970-1990



Source: Budget of the United States, 2005

Skills Focus

INTERPRETING GRAPHS

How high was the deficit in 1970? In 1980? In 1984?

See **Skills Handbook**, p. H16

Deficit Control Act, or the Gramm-Rudman-Hollings Act. The measure required mandatory budget cuts to curb the deficit.

READING CHECK

Summarizing

What were the key elements of Reaganomics?

SECTION 1

ASSESSMENT

go.hrw.com

Quiz

Keyword: S07-HP32

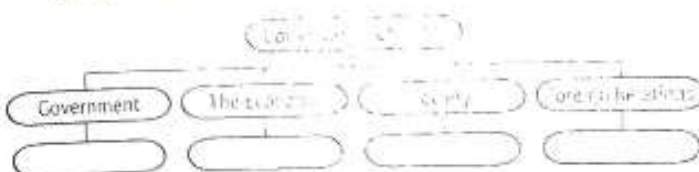
Reviewing Ideas, Terms, and People

1. **a. Recall** Why was America said to be in a state of malaise in the late 1970s?
- b. Make Inferences** What do you think Carter was trying to accomplish in his malaise speech, and why did it backfire?
- c. Rate** What made Reagan's message so effective among voters?
2. **a. Recall** What types of groups and individuals supported Reagan's rise to the presidency?
- b. Analyze** What skills earned Reagan his nicknames the Great Communicator, the Great Persuader, and the Velvet Steamroller?
- c. Evaluate** How did conservative ideas represent a change from the recent past?
3. **a. Define** Write a brief definition for each of the following terms: Reaganomics, supply-side economics
- b. Contrast** How did the assumptions of Reaganomics differ from the outcomes?

- c. Predict** What effect would the Gramm-Rudman-Hollings bill have on funding of federal programs?

Critical Thinking

4. **Identifying the Main Idea** Copy the web diagram below and use information from the section to show what types of changes conservatives wanted to make.



FOCUS ON SPEAKING

5. **Expository** President Reagan communicated strong ideas to the American public. Choose one of his ideas and write a brief speech explaining it, using facts to support your account.

LANDMARK SUPREME COURT CASES

Constitutional Issue: Search and Seizure

New Jersey v. T.L.O. (1985)

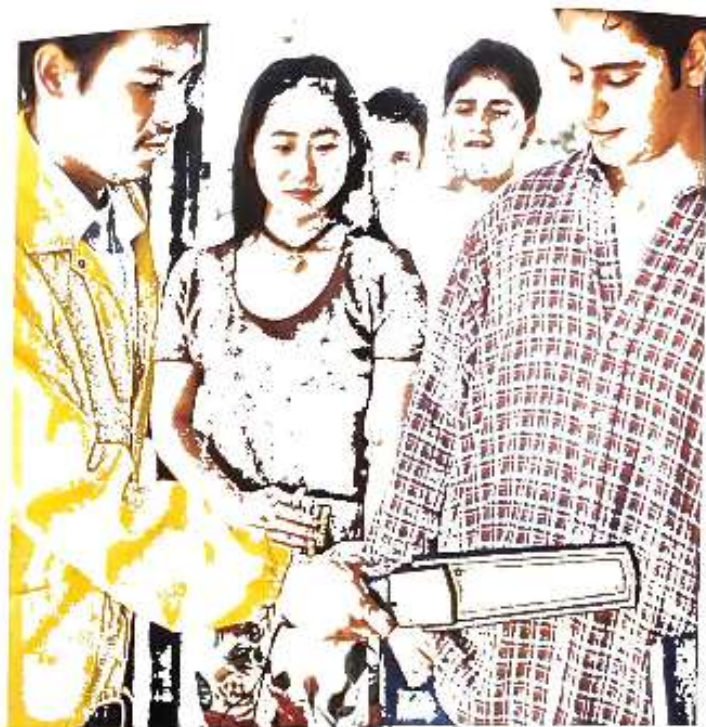
Why It Matters Under the Fourth Amendment, police must have probable cause before they can conduct a search. In this case, the Supreme Court ruled that school officials may search a student without violating the Fourth Amendment if there is reasonable suspicion that the student has broken the law or a specific school rule.

Background of the Case

In 1980 a New Jersey high school student whose initials were T.L.O. was accused of smoking in the school bathroom. When T.L.O. claimed that she did not smoke, the assistant principal looked in her purse and found cigarettes. Then he noticed a package of rolling papers. Searching further he found marijuana and letters indicating that T.L.O. was selling drugs. T.L.O. later admitted to selling marijuana, and the State of New Jersey brought delinquency charges against her. She was sentenced to one year of probation. T.L.O. appealed her conviction, arguing that there was no probable cause to search her purse. She asked for a new trial at which the evidence from her purse could not be used against her.

The Decision

The Supreme Court ruled that the Fourth Amendment's prohibition on unreasonable searches and seizures does apply to searches conducted by public school officials. In addition, schoolchildren do have legitimate expectations of privacy, and their belongings may not be searched unreasonably. However, school officials are not required to follow the same standards as police. School officials need only reasonable grounds for *suspecting* that the search will turn up evidence that the student has violated school rules. The search must be conducted in ways that are reasonably related to the goal of the search. Judged by this standard, the search of T.L.O.'s purse was reasonable and did not violate the Constitution.



THE IMPACT TODAY

Based on the Fourth Amendment arguments used in the *T.L.O.* case, the Supreme Court has issued rulings permitting school officials to conduct random screenings for weapons using metal detectors (above) and to conduct random drug testings of students wishing to participate in extracurricular sports and clubs. Many school boards are developing guidelines for how to interpret and carry out the Court's rulings on these controversial topics.

CRITICAL THINKING

1 Analyze the Impact Using the key word above, read about the 1961 decision in *Mapp v. Ohio*. In what ways was the reasoning in *Mapp* important to the decision in *New Jersey v. T.L.O.*?

Write Judge Based on *New Jersey v. T.L.O.*, should a school be allowed to require student athletes to submit to random drug testing, or does that policy violate the reasonable search provision of the Fourth Amendment? Explain your answer in a short paragraph.

com
Online
U.S. Court

2 Reagan's Foreign Policy

BEFORE YOU READ

MAIN IDEA

President Reagan took a hard line against communism around the world.

READING FOCUS

1. How did President Reagan help to bring about the end of the Cold War?
2. What foreign trouble spots persisted during Reagan's presidency?
3. How did the Iran-Contra Affair undermine the president?

KEY TERMS AND PEOPLE

Strategic Defense Initiative
Lech Walesa
Solidarity
Mikhail Gorbachev
INF Treaty
apartheid
Iran-Contra affair
Oliver North

TAKING NOTES

As you read, take notes

on key foreign policy challenges that faced President Reagan. Record your notes in a graphic organizer like the one shown here. You may need to add more circles.



THE INSIDE STORY

Can simple words knock down a cement wall? For the United States and its allies in the

West, the Berlin Wall had long been a symbol of the harsh reality of life in the Soviet empire. The massive wall dividing Communist East Berlin from the free West told a stark tale of two systems. On one side, citizens freely approached the wall and turned its entire length into an exuberant canvas of colorfully painted designs and slogans. On the other, armed guards and barriers kept citizens away for fear that they might escape to freedom in the West.

In 1987, some 25 years after the Berlin Wall was constructed, Ronald Reagan gave a speech at a famous Berlin Wall landmark known as the Brandenburg Gate. Reagan's speech went out not only to the people of West Berlin, whom he addressed directly, but also to the people in East Berlin. Loudspeakers carried his words into the air and over the wall.

President Reagan's message was clear and simple. He called out the name of the Soviet leader:

"Mr. Gorbachev, open this gate. Mr. Gorbachev—Mr. Gorbachev, tear down this wall!"

The message of defiance and confrontation would characterize Reagan's hard-line Cold War stance throughout his first term. Gorbachev, for his part, did not respond immediately to Reagan's demand in Berlin. But in time, the Soviet leader indeed would have to answer. ■

► In West Berlin, citizens exercised freedom of expression on their side of the Berlin Wall.

"Mr. Gorbachev, Tear Down This Wall!"



Reagan and the Cold War

Staunch opposition to communism was a bed-rock principle that shaped Ronald Reagan's political life. Yet as president, Reagan joined in a complex relationship with a new Soviet leader to help end the 40-year Cold War.

The "Evil Empire" President Reagan rejected the policies of containment and détente pursued by previous presidents. He did not want to accommodate communism. He wanted to destroy it. He used thundering language to condemn the Soviet Union as "the focus of evil in the modern world."

HISTORY'S VOICES

"I urge you to beware the temptation ... to ignore the facts of history and the aggressive impulses of an evil empire, to simply call the arms race a giant misunderstanding and thereby remove yourself from the struggle between right and wrong and good and evil."

—President Ronald Reagan,
"Evil Empire" speech, March 8, 1983

Reagan's strong position worsened relations with the Soviets during his first term. But it also won considerable praise. He forged bonds with like-minded foreign leaders, including conservative British prime minister Margaret

Thatcher and Polish-born Pope John Paul II. Still, critics viewed Reagan's approach as reckless. At a time when the two superpowers had their fingers on the nuclear trigger, some people feared he would set off World War III.

Military spending soars Urging "peace with strength," Reagan obtained massive increases in defense spending. Between 1981 and 1985 the Pentagon budget grew from about \$150 billion to some \$250 billion.

Much of the new spending went to nuclear weapons. In 1981 the president unveiled a plan to add thousands of new nuclear warheads. Two years later, the U.S. military installed new nuclear missiles in Europe. The presence of new weapons aimed at Soviet cities angered the USSR. It ended arms control talks and boycotted the 1984 Olympic Games in Los Angeles.

In 1983 Reagan initiated the creation of a new defensive weapon: a shield in space to protect the United States against incoming Soviet missiles. Reagan put all his persuasive skills to work to promote the concept, named the **Strategic Defense Initiative (SDI)**.

Opponents, including many scientists, scoffed at SDI, saying it would be too expensive and would not work. They nicknamed it Star Wars, after the popular science-fiction

ACADEMIC VOCABULARY

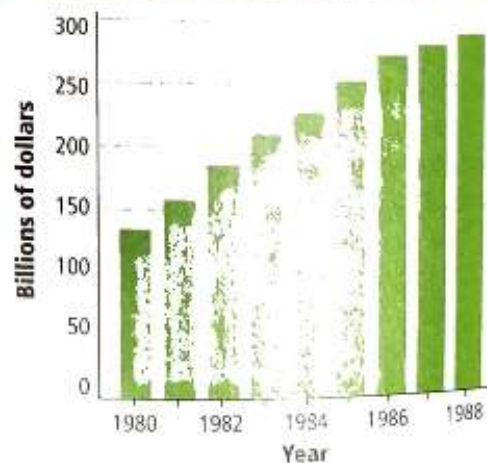
initiate begin,
launch, take the
first step

Reagan's Defense Buildup

This cartoon, like many critics, charged that Reagan's massive military spending came at the expense of other valuable programs.



DEFENSE SPENDING, 1980–1988



Source: Budget of the United States
Government, 2005

INTERPRETING GRAPHS

Compare defense spending in 1980, shortly before Reagan took office, with that near the end of his presidency in 1988.

See **Skills Handbook**, pp. H16

movie. The Soviets viewed SDI as an offensive weapon rather than a defensive one, saying it would allow the United States to launch a first strike without fear of retaliation.

Reagan hoped SDI would ease the growing pressures for disarmament. Across the United States and Europe, hundreds of thousands of supporters of a nuclear freeze—a halt in production of all atomic weapons—marched in massive demonstrations.

"I would agree to freeze if only we could freeze the Soviets' global desires," Reagan said. Yet increasingly, the Soviet Communists were less concerned with global conquest than with their own political survival.

A weakened Soviet Union The long rule of Leonid Brezhnev, from 1964 to 1982, saw the USSR rise to the height of its power and then begin to decline. By the late 1970s, the Soviet economy was shrinking. Industrial and farm production, population growth, education, medical care, and other indicators of prosperity fell sharply. A country rich in farmland became an importer of food. Government corruption was rampant.

Soviet weakness became strikingly clear in 1980 when the USSR failed to contain a dramatic series of events in Poland. Under the leadership of an electrician named Lech Walesa, some 17,000 workers in the city of Gdansk locked themselves in a factory to protest steep rises in food prices. The daring move riveted the world. The strikes spread, finally forcing the Soviet-backed government to legalize independent trade unions. Walesa was elected to lead a new, independent union called **Solidarity**. More than a union, Solidarity was a freedom movement.

U.S.-Soviet relations warm The death of Leonid Brezhnev and two other Soviet leaders in quick succession brought a visionary new leader to power in 1985. **Mikhail Gorbachev** believed that the only way to salvage the Soviet economy was to strike a deal with America.

The emergence of Gorbachev gave Reagan an opportunity. In the 1984 election, the Reagan-Bush ticket had beaten former Vice President Walter Mondale and his running mate, Representative Geraldine Ferraro of New York. As he began his second term, Reagan was ready to negotiate with the Soviets.

PRIMARY SOURCES

Speech

On June 6, 1984, Ronald Reagan spoke in France to observe the fortieth anniversary of the Normandy invasion on D-Day. This passage from his "Boys of Pointe du Hoc" speech reflects Reagan's speaking style and foreign-policy views.

"The men of Normandy had faith that what they were doing was right, faith that they fought for all humanity, faith that a just God would grant them mercy on this beachhead or on the next ... [T]here is a profound moral difference between the use of force for liberation and the use of force for conquest. You [U.S. veterans of D-Day] were here to liberate, not to conquer, and so you and those others did not doubt your cause. And you were right not to doubt.

You all knew that some things are worth dying for. One's country is worth dying for, and democracy is worth dying for, because it's the most deeply honorable form of government ever devised by man. All of you loved liberty. All of you were willing to fight tyranny, and you knew the people of your countries were behind you."

Skills Focus

READING LIKE A HISTORIAN

- 1. Identifying Points of View** According to Reagan, what proved that the Normandy invasion was the right action?
- 2. Analyzing Primary Sources** What does this speech reflect about Reagan's political views?

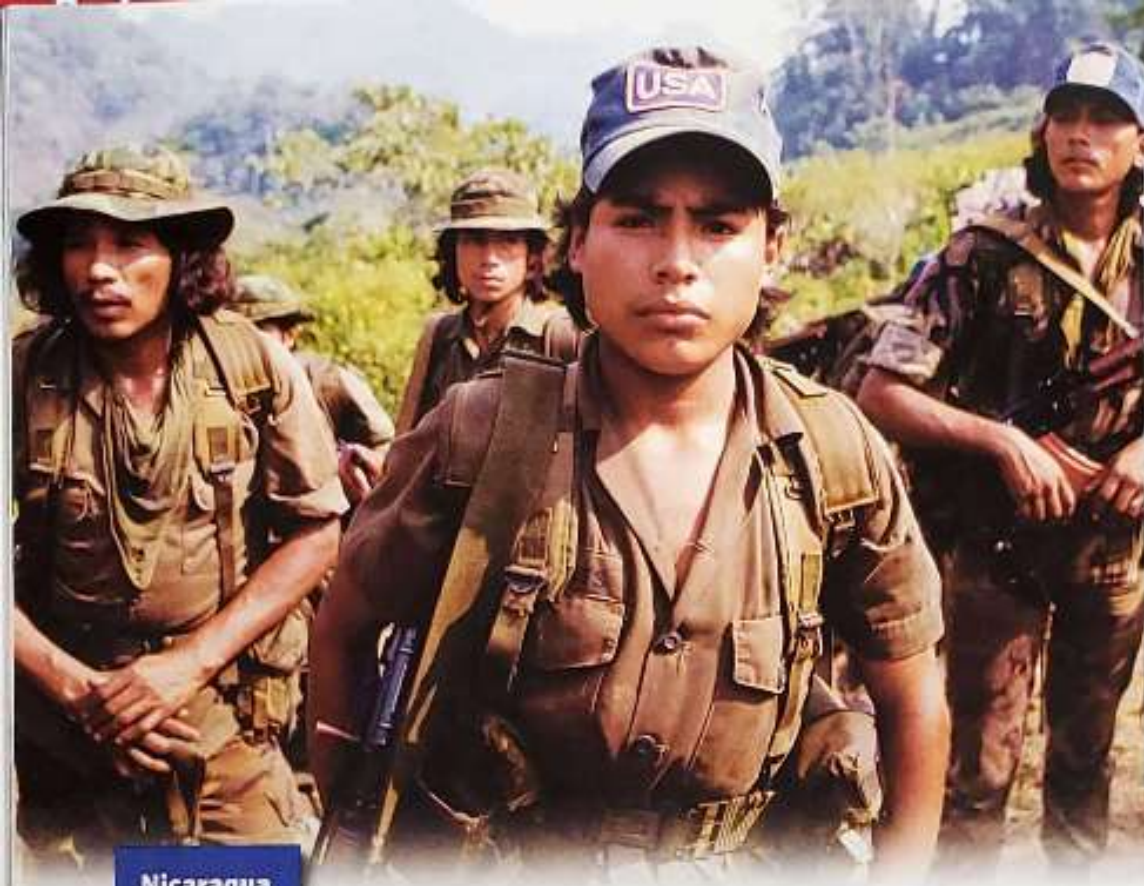
See **Skills Handbook**, p. H28-29

In four meetings from 1985 through 1988, Reagan and Gorbachev changed the superpower relationship. Their talks produced the Intermediate-Range Nuclear Forces (INF) Treaty, the first agreement to actually reduce nuclear arms instead of simply halting production. The **INF Treaty**, ratified in 1988, ordered the destruction of a whole class of weapons—more than 2,500 missiles, many of which faced each other in Europe.

In 1988 Reagan stood in Moscow's Red Square and embraced the leader of the once "evil empire." The Cold War was almost over.

READING CHECK

Summarizing What actions did Reagan take to help end the Cold War?



Nicaragua



Lebanon

Trouble Spots Abroad

Regional conflicts often force presidents to choose where to become involved militarily. Reagan's choices reflected his view of American interests in the world in the 1980s.

Upheaval in Latin America Nowhere was the fight against communism more urgent to Reagan than Latin America. The United States supported several anti-Communist governments and rebel groups in the region during the Reagan years. Some of these regimes were repressive, but Reagan believed U.S. support was necessary to prevent the spread of communism in those countries. U.S. actions focused on two Central American nations, El Salvador and Nicaragua.

In tiny El Salvador, peasants were caught in a violent civil war between Marxist guerrillas and government troops supported by armed extremist groups. The Reagan administration gave its support to a relatively moderate leader who won election in 1984, José Napoleón Duarte. The civil war dragged on until peace was reached in 1992.

Meanwhile, a civil war in neighboring Nicaragua drew the president's staff into what would become the most serious crisis to affect the Reagan White House. The United States

had at one time supported Nicaraguan dictator Anastasio Somoza Debayle. In 1979 a Marxist-leaning group known as the Sandinistas, with aid from Cuba's Communist government, ousted Somoza. At first the Sandinista governed as part of a coalition of political groups, but soon Sandinista dominance became clear.

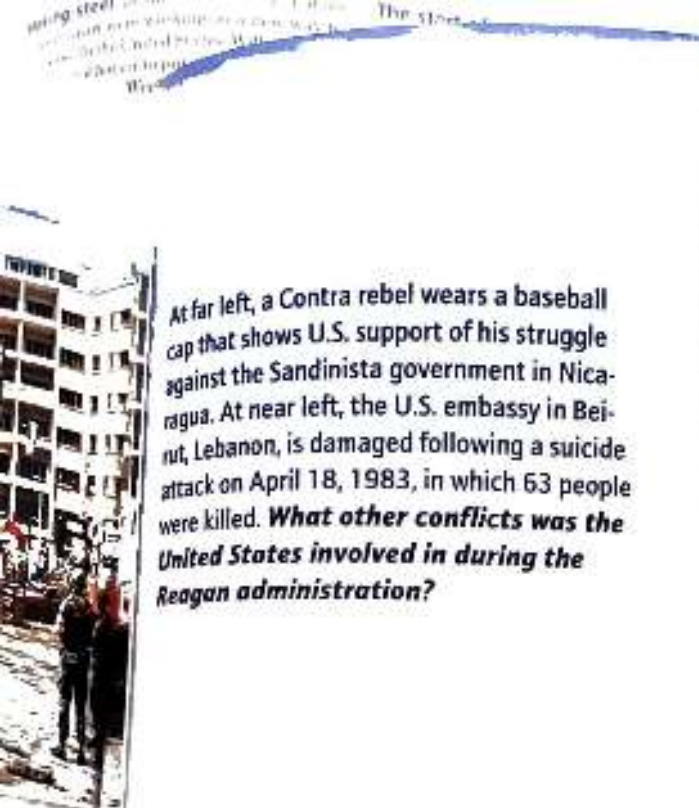
When Reagan took office, he cut off aid to Nicaragua, saying that the Sandinistas were supported by the USSR. In 1981 Reagan approved \$20 million for the Central Intelligence Agency (CIA) to equip and train a Sandinista opposition group, the Contras. The effort stalled when the CIA conducted sabotage operations in Nicaragua, including laying mines in two Nicaraguan ports, without informing Congress. As the secret activities came to light, Congress cut off funds to the Contras and banned all direct or indirect U.S. military support for them.

Reagan remained determined to help the Contras. He told his national security adviser, Robert McFarlane, "I want you to do whatever you have to do to help these people [the Contras] keep body and soul together." His staff took this as a signal to find a way around Congress's restrictions. Americans would soon learn that the White House continued to fund the Contras despite the congressional ban.

ACADEMIC VOCABULARY

regime

government, administration



At far left, a Contra rebel wears a baseball cap that shows U.S. support of his struggle against the Sandinista government in Nicaragua. At near left, the U.S. embassy in Beirut, Lebanon, is damaged following a suicide attack on April 18, 1983, in which 63 people were killed. **What other conflicts was the United States involved in during the Reagan administration?**

Tragedy in Lebanon: President Reagan believed that American interests required stability in the Middle East. For years the Mediterranean coastal country of Lebanon had been ripped apart by civil war. Muslim and Christian factions battled for control of the country. Various groups, including the Palestine Liberation Organization (PLO), used Lebanon as a base for attacks against Israel to the south. In 1982 Israel invaded and occupied southern Lebanon to expel the PLO and try to form a new, reliably friendly government. The invasion threatened to turn Lebanon's civil war into a general Middle East war.

In 1983 an international peacekeeping force, including some 800 U.S. Marines, arrived in Lebanon's capital, Beirut. On October 23, a suicide bomber drove a truck full of explosives into the marine barracks in Beirut. The blast leveled the building, killing 241 sleeping soldiers inside. This tragedy and the bombing of the U.S. embassy a few months earlier were the first suicide terrorist attacks against the United States.

The incidents ignited an intense debate in America about the role of the military in violent, unstable regions. Reagan decided to withdraw the troops from Lebanon. Anti-American groups claimed victory.

Victory in Grenada A few days before the bombing in Lebanon, a violent Communist coup took place in the tiny Caribbean country of Grenada (gruh-NAY-duh). Cuban troops were helping build an airstrip on the island, raising fears that it could become a Communist outpost. Reagan also worried about the fate of some 800 U.S. students in medical school there.

Two days after the Lebanon bombing, with the nation still in shock, Reagan sent 5,000 marines to invade Grenada. They took the island in two days, with a loss of 19 soldiers. The victory aided Reagan in the 1984 election.

Apartheid in South Africa Reagan took a less activist position in confronting the South African government. For decades, the official policy of **apartheid** ("apartness") had enforced legalized racial segregation throughout South African society. Under apartheid the minority white population enjoyed great privileges. Meanwhile, the government forcibly relocated millions of people categorized as nonwhite to desolate frontier lands. Nonwhites were banned from decent jobs, schools, and housing and were prohibited from owning land, voting, or traveling freely.

American companies and investments in the resource-rich land helped keep the white regime in power. Starting in the 1970s, anti-apartheid groups urged nations to divest, or withdraw investments, from South Africa.

Reagan preferred a policy of "constructive engagement"—that is, maintaining business ties while offering incentives for reform and engaging in diplomacy with the government. Critics charged that the policy enriched a corrupt, white minority regime. In 1986 Congress overrode a Reagan veto to pass the Comprehensive Anti-Apartheid Act, which imposed trade limits and other sanctions.

READING CHECK Summarizing How did the Reagan administration respond to crises in Lebanon, Grenada, and South Africa?

The Iran-Contra Affair

Despite the congressional ban on U.S. funds for the Contras' war against the Nicaraguan government, Reagan's national security staff sought to continue the funding. The United States was then facing terrorism in the Middle

THE IMPACT TODAY

Government

Terrorists have used suicide bombings to strike in Israel and in Iraq. The terrorist attacks against the United States on September 11, 2001, also were suicide attacks.

REAGAN'S FOREIGN POLICY

QUICK FACTS

Latin America

- U.S. backs moderate Duarte in El Salvador civil war.
- Reagan backs anti-Communist Contras in Nicaragua.
- White House defies Congress ban on Contra funding.

Lebanon

- Following civil war, U.S. sends 800 peacekeepers.
- October 1983: Suicide bomber hits marine barracks.
- 241 Americans killed; U.S. withdraws from Lebanon.

Grenada

- 1983 Communist coup strands 800 U.S. students.
- Cuba's role and students' safety concern Reagan.
- U.S. launches two-day invasion, restores democracy.

South Africa

- Reagan prefers "constructive engagement" with white minority government to combat apartheid.
- 1986: Congress imposes sanctions over Reagan veto.

East, where American civilians in Lebanon were being kidnapped by pro-Iranian groups.

In 1985 the situations in Nicaragua and the Middle East became linked. National Security Adviser Robert McFarlane persuaded Reagan to approve sales of weapons to Iran, hoping that Iran would help obtain the release of U.S. hostages in Lebanon. This violated a U.S. arms embargo as well as Reagan's own principle of refusing to negotiate with terrorists.

The **Iran-Contra affair** unfolded when members of the National Security Council staff secretly diverted money from the illegal Iran arms sales to the Contras in Nicaragua. Vice Admiral John Poindexter and Lieutenant Colonel **Oliver North** carried out the plan.

When the scheme was revealed in 1986, Congress wanted to know if anyone higher up was involved. It launched an investigation modeled after the Watergate probe of Nixon.

Reagan admitted authorizing the Iran arms sales but denied knowledge of the diversion of funds to the Contras. Vice President Bush, Defense Secretary Caspar Weinberger, and other staff made similar statements.

The full details of the affair are not known because members of the administration engaged in a cover-up of their actions. North admitted destroying key documents. High-level Reagan staff were found to have lied in testimony to Congress and withheld evidence. North was convicted of destroying government documents and perjury. The conviction later was overturned on technicalities.

READING CHECK

Sequencing Trace the significant events that led to prosecutions in the Iran-Contra affair.

go.hrw.com

Online Quiz

Keyword: SD7 HP32

SECTION 2 ASSESSMENT

Reviewing Ideas, Terms, and People

1. **a. Identify** Explain how each of these terms and people relates to the ending of the Cold War: Strategic Defense Initiative, Lech Walesa, Solidarity, Mikhail Gorbachev.
1. **b. Make Inferences** What influence do you think SDI and U.S. defense spending had on Soviet leaders' thinking about the Cold War?
1. **c. Evaluate** To what extent do you think Reagan and Gorbachev shaped the events of the Cold War, and to what extent did they encounter changes already in progress?
2. **a. Define** Write a brief definition for this term: **apartheid**
2. **b. Contrast** Contrast the reasons for U.S. involvement in Lebanon, Grenada, and South Africa.
2. **c. Evaluate** What do you think were the advantages and disadvantages of Reagan's "constructive engagement" policy in South Africa?
3. **a. Recall** What was Oliver North's role in the Iran-Contra affair?
3. **b. Make Inferences** What can you infer about Reagan's relationship with Congress from the Iran-Contra Affair?

1. **c. Rate** Do you think North's actions were justifiable given (a) circumstances in Nicaragua or (b) pressure from the president to help the Contras?

Critical Thinking

4. **Making Decisions** Copy the chart below and use information from the section to identify the choices Reagan had to make in various conflicts.

| Reagan Foreign-Policy Choices | | | | |
|-------------------------------|---------|---------|--------------|-----------|
| SDI | Lebanon | Grenada | South Africa | Nicaragua |
| | | | | |
| | | | | |

FOCUS ON WRITING

5. **Descriptive** As a reporter covering the appearance of Reagan and Gorbachev in Red Square in 1988, describe the historic meeting of former enemies.

A New World Order

BEFORE YOU READ

MAIN IDEA

In 1988 Reagan's vice president, George H. W. Bush, won election to a term that saw dramatic changes in the world.

READING FOCUS

1. What factors influenced the election of 1988?
2. How did Soviet society become more open?
3. What chain of events led to the collapse of the Soviet empire?
4. What other global conflicts emerged near the end of the Cold War?

KEY TERMS AND PEOPLE

George H. W. Bush
glasnost
perestroika
velvet revolution
Boris Yeltsin
Tiananmen Square massacre
Saddam Hussein
Operation Desert Storm
Nelson Mandela

TAKING NOTES

As you read, take notes

identifying the steps on the way to the breakup of the Soviet Union. Record your notes in a graphic organizer like the one shown here.

| |
|-----------------------------|
| |
| |
| Breakup of the Soviet Union |

THE INSIDE STORY

How do you make the transition from vice president to commander in chief?

On December 7, 1988, Vice President George H. W. Bush was basking in the glory of his victory in the 1988 presidential election. Yet he was still second in command to a very powerful and popular Ronald Reagan.

Thus the summit taking place that day on Governor's Island in New York Harbor had clear symbolic meaning. The Americans were there to meet with Soviet leader Mikhail Gorbachev. Ronald Reagan was still president, and he would conduct the discussions with his Soviet counterpart. Bush, however, was a living symbol of a change soon to take place: the orderly, democratic transfer of power in the U.S. government.

Before the formal talks began, the three men informally answered questions from reporters. Reagan gave his positive reaction to the recently announced decision by Gorbachev to reduce the number of troops in Europe. Bush was then asked for his reaction. His first response was similar to one he had given for the previous eight years: He supported whatever the president said. But then, with a reference to his upcoming January 20 inauguration, Bush extended an invitation to the assembled reporters: "Give me a ring on the 21st."

Indeed, the Reagan era would soon be over. The presidency of George H. W. Bush was about to begin. ■

Passing the Torch

▼ Gorbachev, Reagan, and Bush meet under the watchful eye of Lady Liberty.



The Election of 1988

George Herbert Walker Bush came from a wealthy and powerful family. In World War II he had served with distinction as a navy pilot. Following careers in banking and oil, Bush entered politics in 1967 as a member of Congress from Texas. He served under presidents Nixon, Ford, and Reagan—as U.S. ambassador to the United Nations, as head of the Central Intelligence Agency, and as vice president.

In 1988 the Republican Party nominated George H.W. Bush as its presidential candidate and Indiana senator Dan Quayle as his running mate. They joined a presidential race that was notable for its lack of public attention. Excitement peaked early in the election year when an African American candidate, the Reverend Jesse Jackson, ran for the Democratic Party's nomination.

Jackson, a major civil rights leader and a liberal candidate, had run in 1984 with little success. This time, however, he achieved an upset, winning the most votes on Super Tuesday, the day when most states hold primary elections. Jackson's candidacy earned significant support from both white and black voters. In the end, however, Governor Michael Dukakis of Massachusetts won the most delegates and became the Democratic Party's nominee.

Many people attribute the low 50.1 percent voter turnout in the general election to the negativity of the campaign. The Democratic ticket of Michael Dukakis and his running mate, Texas senator Lloyd Bentsen, challenged Bush on the weak economy. The Bush campaign shot back with a series of advertisements that portrayed Dukakis as soft on crime. The tough ads contrasted with Bush's stump speech calling for a "kinder, gentler" America.

Despite a shaky economy, Bush earned support with his promise to continue the Reagan economic plan: "Read my lips: No new taxes." The Bush-Quayle ticket beat Dukakis and Bentsen by 426 electoral votes to 111.

When George Bush succeeded Ronald Reagan as president, the world stood on the verge of a democratic awakening. In four short years President Bush would take part in intense dramas around the globe.

READING CHECK

Summarizing What events triggered the most interest in the 1988 election?

The Opening of the USSR

For nearly 70 years, citizens in the closed Soviet society risked great danger in speaking out or acting against the government. Dissidents—those who protested Soviet rule—were imprisoned and exiled. Basic freedoms of speech, religion, and association were nearly nonexistent. Mikhail Gorbachev sought to change Soviet society, opening it not only to the West but also to internal dissent.

Glasnost and perestroika As part of his plan to reform the failing Soviet system, Gorbachev announced a new era of *glasnost*, or "opening." He lifted media censorship, allowing public criticism of the government. Gorbachev held press interviews, a stunning contrast to the secrecy in which the Kremlin had operated.

Soviet citizens, cautious at first, began to speak openly. They complained about the price of food, of empty store shelves, and of their sons dying in the Soviet occupation of Afghanistan.

Gorbachev also undertook the huge process of *perestroika*, the "restructuring" of the corrupt government bureaucracy. The program was launched with much excitement and hope.

To restructure the shattered economy, Gorbachev dismantled the Soviet central planning system, giving local officials more authority over farm and factory production. He fired about 40 percent of regional officials and pushed through a flurry of reforms:

- 1986: Soviet scientist and dissident Andrei Sakharov was released from exile.
- 1989: Free elections took place for the first time since 1917.
- 1989: The Soviet Union withdrew from Afghanistan.
- 1989: Gorbachev visited China, easing tensions along the Soviet-Chinese border.

One glaring exception to *glasnost* occurred in 1986, when the Soviets attempted to cover up the world's worst nuclear accident. The meltdown of the Chernobyl nuclear plant near Kiev, the capital of Ukraine, was detected when deadly radiation drifted across Europe. The lead caused deaths and widespread illness. About 350,000 people had to be relocated from the region. The site remains uninhabitable.

READING CHECK

Identifying Cause and Effect What effects did *glasnost* and *perestroika* have on the Soviet economy, government, and society?

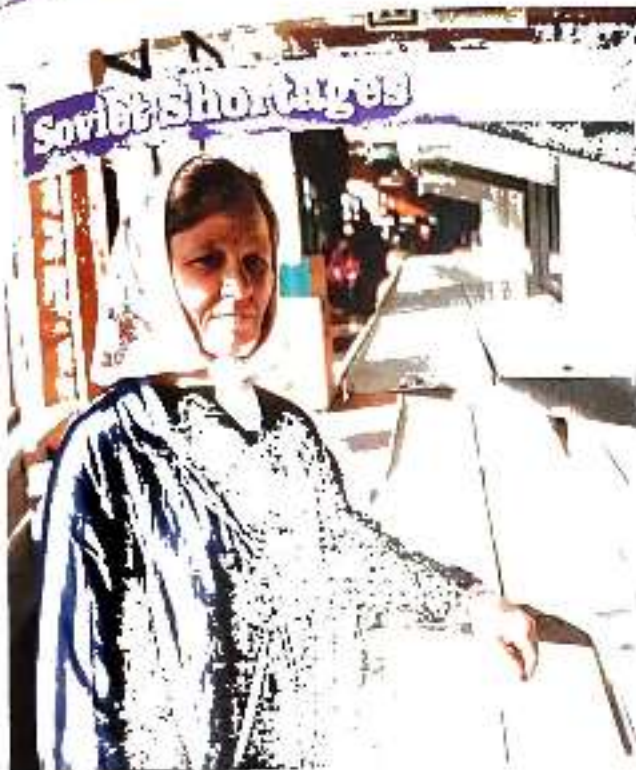
THE IMPACT TODAY

Science and Technology

A 2005 Chernobyl Forum report on the 20-year impact of the disaster revealed that only about 50 deaths could be directly linked to the accident, rather than thousands as previously estimated. Still, the report predicted that as many as 4,000 people could eventually die from radiation exposure, and some 5 million live in contaminated areas.

exploring on a new way to
United States. With
to print
War

The States



The Soviet Union experienced healthy economic growth after World War II, but it did not last. Soviet leaders focused on expanding heavy industry instead of creating adequate supplies of consumer goods. Store shelves were often empty, creating a thriving black market in food and other goods.

The Soviet Empire Collapses

The call for *glasnost* and *perestroika* awakened hopes for freedom throughout the Soviet empire. A spirit of nationalism, long repressed and feared by Soviet authorities, rose in the subject nations of Eastern Europe.

Eastern Europe crumbles Gorbachev knew the USSR could no longer afford to support the ailing Eastern European economies. He ordered a large troop pullback from the region and warned local leaders to adopt reforms.

Dissidents and ordinary citizens didn't wait for reforms. They created their own paths to freedom. All across Eastern Europe, dreams of a better life inspired revolutions in the late 1980s. The Polish trade union Solidarity forced the government to hold elections, and in December 1990 Lech Walesa became president. Hungarian officials opened their country's border with Austria in August 1989, and people streamed to the West. In Czechoslovakia, a nonviolent **velvet revolution**—so called because it was peaceful—swept the Communists from power in November 1989. Dissident playwright Vaclav Havel became president.

In Romania, revolution turned violent. Demonstrations brought down the government of one of the Soviet bloc's cruelest dictators, Nicolae Ceausescu, in December 1989. Ceausescu and his wife, Elena, were executed.

The fall of the Berlin Wall Gorbachev's call for openness made him very popular in Europe, especially in East and West Germany. Protesters at a fortieth anniversary celebration of the East German state in October 1989 chanted "Gorby, help us!"

But still the Berlin Wall remained, the repressive symbol of Soviet communism. With so many barriers falling, could the Berlin Wall continue to divide the German people?

Hoping to calm rising protests, the East German government flung open the gates of the Berlin Wall on November 9, 1989. Thousands of East Berliners poured through to freedom. As border guards looked on helplessly, jubilant Berliners scaled the wall from both sides. They pulled down the razor wire, climbed atop the wall, and danced on it. With axes and sledgehammers and their bare hands, they spontaneously began ripping down the wall.

Writing on the tenth anniversary of the fall of the Berlin Wall, one reporter looked back on the spectacular sights and sounds of history being made.

HISTORY'S VOICES

"And then I hear the noise. Pick, pick, pick. Chuck, chuck, chuck. Growing louder and louder as hundreds of hammers and chisels attack the wall, taking it down chip by chip. I laugh and laugh—and cry at the same time."

—BBC reporter Tim Weber, November 9, 1989

An Empire Falls

Pressured by U.S. threats and the dead weight of his ailing Soviet empire, Gorbachev cracked open a door to democracy—and millions of oppressed people rushed through.



1 Poland

Electrician Lech Wałęsa leads a strike and starts a revolution.

- In 1989, Solidarity forces the government to hold elections.
- Wałęsa is elected president in 1989; the Communists fall.



2 Romania

One of the cruelest Communist regimes falls the hardest.

- In December 1989 violent protests sweep the country.
- Dictator Ceausescu and his wife are executed.

People around the world watched in awe as TV cameras recorded the triumph of democracy. Less than a year later, on October 3, 1990, East Germany and West Germany were reunited as one nation.

The end of the Soviet Union With the Soviet empire crumbling, Communist Party officials in the USSR stood to lose power, prestige, and wealth. The world waited anxiously to see how far they would allow Gorbachev to go. With Gorbachev preparing to sign a treaty granting partial freedoms to the Soviet republics in 1991, hard-line Communist Party leaders had had enough. They seized Gorbachev in a coup d'état.

Help for the captive president came from Boris Yeltsin, leader of the Russian Republic. Yeltsin had quit the Communist Party and was actually a liberal opponent of Gorbachev. Now, however, he led a popular revolt against the Communist coup. As soldiers and tanks rolled into Red Square to arrest Yeltsin, a mass of unarmed Russians flooded the plaza, surrounding them. What would happen? At a tense moment, Yeltsin climbed atop a tank and addressed the cheering crowd. Soldiers looked the other way. Some even joined the protest.

The balance of power tipped, and the army backed down. Gorbachev was released and restored to power in the Kremlin. But, he would not stay long. The forces that Gorbachev had unleashed quickly overwhelmed him. Beginning in 1990, Soviet republics had begun declaring their independence. In late 1991 most of the former Soviet republics, including Russia, formed a loose federation called the Commonwealth of Independent States (CIS).

Gorbachev resigned as president, and no one was named to replace him. The Soviet Union dissolved. Yeltsin now led a severely weakened superpower. A journalist later assessed Gorbachev's place in history:

HISTORY'S VOICES

“One can argue about what degree of direct credit Mr. Gorbachev deserves for ending the nuclear arms race or for bringing down the Berlin wall. It can credibly be suggested that Russia itself, pinned mercilessly beneath the staggering burdens of Bolshevism, could not have moved in any other direction and that Mr. Gorbachev just happened to be there when the society began to collapse. But he was there, and it is hard to imagine that history won't reward him handsomely for his role.”

—“A Visionary Who Put an Era Out of Its Misery,”
The New York Times, January 7, 1997



3 East Germany

East German soldiers watch passively while protesters chip away at the wall.

- Berlin Wall falls in November 1989.
- Germany reunified in October 1990.

4 The Soviet Union

The Communist superpower collapses.

- Russia's Yeltsin helps foil 1991 a hard-liners' coup against Gorbachev.
- Gorbachev resigns; Soviet Union breaks apart.
- Bush, Yeltsin sign arms treaties in 1991, 1993.

It was fitting that George Bush, former head of America's Cold War spy agency, the CIA, was the president who would preside over the ending of the Cold War. Less than one month after the fall of the Berlin Wall, Bush and Gorbachev met to discuss arms reduction. In 1991 they agreed on a Strategic Arms Reduction Treaty (START) to cut stockpiles of long-range nuclear weapons.

Two months after the collapse of the USSR, Bush and Yeltsin met at Camp David. They issued a joint statement declaring that the United States and Russia no longer regarded each other as "potential adversaries." The leaders signed a START II agreement in 1993. Bush said START II offered "a future free from fear." Yeltsin called it "a treaty of hope."

READING CHECK

Making Generalizations

How did Gorbachev's call for *glasnost* and *perestroika* help bring down the Soviet Union?

Other Bush-Era Conflicts

President Bush guided the nation through other foreign-policy challenges. By 1991 he spoke hopefully of creating a "new world order," free of the Cold War rivalries.

China: democracy crushed Inspired in part by events in the Soviet Union, a generation of Chinese students called on their Communist leaders to embrace reforms. In April 1989 they led huge pro-democracy demonstrations that filled Tiananmen Square in the Chinese capital of Beijing. For two hope-filled months, Chinese officials tolerated the protests. Change seemed possible. Then hard-line officials run out of patience.

On June 4 a line of tanks rolled toward Tiananmen Square. As cameras recorded the scene, a man ran into the street and stood in front of the tanks. For half an hour he halted their progress. The image of the lone rebel defying Chinese authority sent a powerful message around the world. Then the man melted back into the crowd. The tanks surrounded the protesters and opened fire. Hundreds of unarmed people, including children, were gunned down in the **Tiananmen Square massacre**.

President Bush announced an arms embargo but said America had to stay "engaged" with China. Democratic reform would take much longer in China than in the rest of the Communist world. But the protests showed a desire for freedom that was heard by China's leaders.

THE IMPACT TODAY

Government

In 2002 President George W. Bush and Russian President Vladimir Putin replaced START II with the SORT, Strategic Offensive Reduction Treaty, which calls for cuts to overall arsenals rather than to specific weapon types.

Panama: a dictator falls During the 1980s, Colonel Manuel Noriega basically ran the country of Panama. As head of the armed forces, he brutally suppressed opposition. Evidence that he was involved in smuggling drugs to the United States led a U.S. court to indict him in 1988. In 1989 Noriega seized direct control of Panama and declared a state of war with the United States. At stake was the security of the Panama Canal, which was scheduled to be turned over to Panamanian control in 1999.

When Noriega's soldiers shot and killed a U.S. marine in December 1989, President Bush ordered an invasion of Panama. U.S. troops arrested Noriega and moved him to Florida. He was later convicted of drug trafficking and other charges.

The Persian Gulf War In August 1990 the ruthless dictator of Iraq, **Saddam Hussein**, invaded the neighboring country of Kuwait.

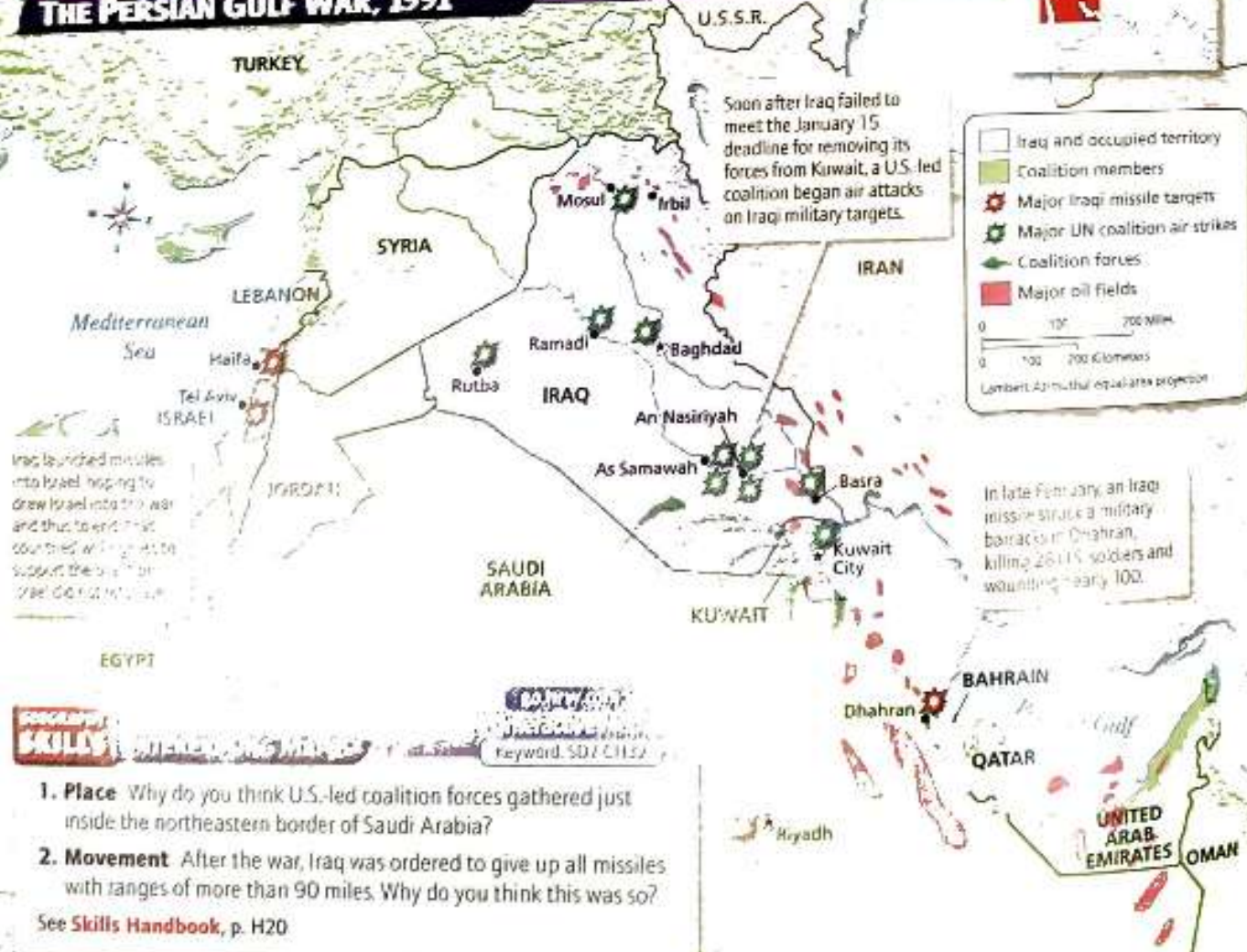
The attack on the tiny, oil-rich kingdom shocked the United States and other Western countries—which depended on petroleum supplies from Kuwait—as well as the Arab nations in the region. Concerns rose further when reports surfaced of atrocities by Iraqi troops against Kuwaiti civilians. President Bush vowed that Saddam's "aggression would not stand."

The UN imposed sanctions on Iraq and set a deadline of January 15, 1991, for the withdrawal of Iraqi troops. Meanwhile, President Bush used his diplomatic skills to assemble a strong multinational military coalition.

Saddam remained defiant. The deadline passed. On January 16, 1991, the U.S.-led force attacked, starting with heavy bombing raids on targets in Kuwait and Iraq. On the Iraq-Saudi Arabia border and on warships in the Persian Gulf, a force of some 690,000 troops from the United States, Britain, France, and a number of Arab nations prepared to strike.

Interactive Map

THE PERSIAN GULF WAR, 1991



- Place** Why do you think U.S.-led coalition forces gathered just inside the northeastern border of Saudi Arabia?
- Movement** After the war, Iraq was ordered to give up all missiles with ranges of more than 90 miles. Why do you think this was so?

See *Skills Handbook*, p. H20

The ground war, launched on February 23, was short and swift. Iraqi troops retreated and scattered. Coalition forces returned Kuwait's royal family to power within a few days.

The campaign, **Operation Desert Storm**, was a conventional (non-nuclear) war. But it was unlike any war before it. The harsh desert terrain and long distances between targets made high technology airpower the most effective military tool. Nearly radar-proof Stealth bombers launched laser-guided bombs from afar. And long-range cruise missiles soared hundreds of miles from ships in the Gulf to hit targets in downtown Baghdad, the Iraqi capital.

Because so much of the campaign took place from the air, little of the violence appeared on the world's television sets, despite widespread coverage. The coalition tallied fewer than 500 casualties, including 148 Americans. An estimated 20,000 Iraqi soldiers and some 2,400 Iraqi civilians died.

The Persian Gulf War would not be the last conflict to involve the United States and Iraq. As you will read in the next chapter, U.S. involvement in Iraq would continue.

South Africa: new freedom While Eastern Europe was throwing off its chains, a similar miracle was occurring in South Africa. In 1989 the white government elected F. W. de Klerk as

president. Like Gorbachev, de Klerk triggered a chain of events that resulted in a new system of government.

De Klerk sought a gradual, orderly lifting of apartheid. He released political prisoners including **Nelson Mandela**, a former guerrilla fighter imprisoned in 1964. Despite threats of civil war by white opposition, de Klerk and Mandela worked to end apartheid. A new constitution followed, and in 1994 the nation's first all-race elections were held. Mandela and his African National Congress party won.

Sharing the Nobel Peace Prize with de Klerk in 1993, Mandela praised the work of Dr. Martin Luther King Jr., whose call to nonviolent protest had inspired the antiapartheid movement. In language echoing the American Declaration of Independence, he saw a better day:

HISTORY'S VOICES

"Thus shall we live, because we will have created a society which recognizes that all people are born equal, with each entitled in equal measure to life, liberty, prosperity, human rights and good governance."

—Nelson Mandela, Nobel lecture, December 10, 1993

READING CHECK

Identifying Main Ideas

What victories and setbacks for democracy occurred near the end of the Cold War?

SECTION

3

ASSESS

go.hrw.com

Online Quiz

Keywords: SD, 1989, 1992

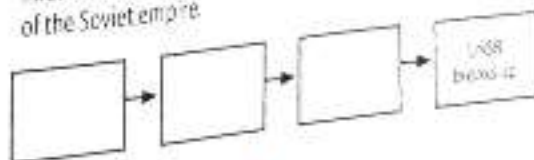
Reviewing Ideas, Terms, and Events

1. **a. Identify** Who were the main candidates in the 1988 presidential election?
- b. Make Inferences** What can be inferred from the low voter turnout in the 1988 election?
- c. Develop** Why did Jesse Jackson's big victory in the primaries generate so much excitement?
2. **a. Define** Write a brief definition for each of the following terms: *glasnost*, *perestroika*.
- b. Analyze** Why did Mikhail Gorbachev believe that *glasnost* and *perestroika* were necessary?
- c. Predict** Why was it dangerous for Gorbachev to launch such big social and economic changes in the USSR?
3. **a. Identify** How did Boris Yeltsin come to power?
- b. Compare and Contrast** How did Czechoslovakia's velvet revolution compare with the other Soviet-bloc uprisings?
- c. Rate** What year do you think was the biggest turning point in ending the Cold War?

4. **a. Describe** What roles did Manuel Noriega, Nelson Mandela, and Saddam Hussein have in Bush-era conflicts?
- b. Rank** Which Bush-era conflicts turned out to be the best and worst for the spread of democracy? Explain your choices.

Critical Thinking

5. **Identifying Cause and Effect** Copy the chart below and use information from the section to identify the causes of the fall of the Soviet empire.



FOCUS ON WRITING

6. **Descriptive** Suppose you were one of the young people who climbed atop the Berlin Wall in triumph. Write a letter to an American friend describing the experience.

SECTION

4

Life in the 1980s

BEFORE YOU READ

MAIN IDEA

The 1980s and early 1990s saw major technological, economic, and social changes that produced both progress and intense conflicts.

READING FOCUS

1. How did new technologies such as the space shuttle affect society?
2. How did changes in the economy of the 1980s affect various groups of Americans?
3. What other changes and challenges did U.S. society face in the 1980s?

KEY TERMS AND PEOPLE

Steve Jobs
Bill Gates
space shuttle
Alan Greenspan
savings and loan crisis
Sandra Day O'Connor
Clarence Thomas

TAKING NOTES

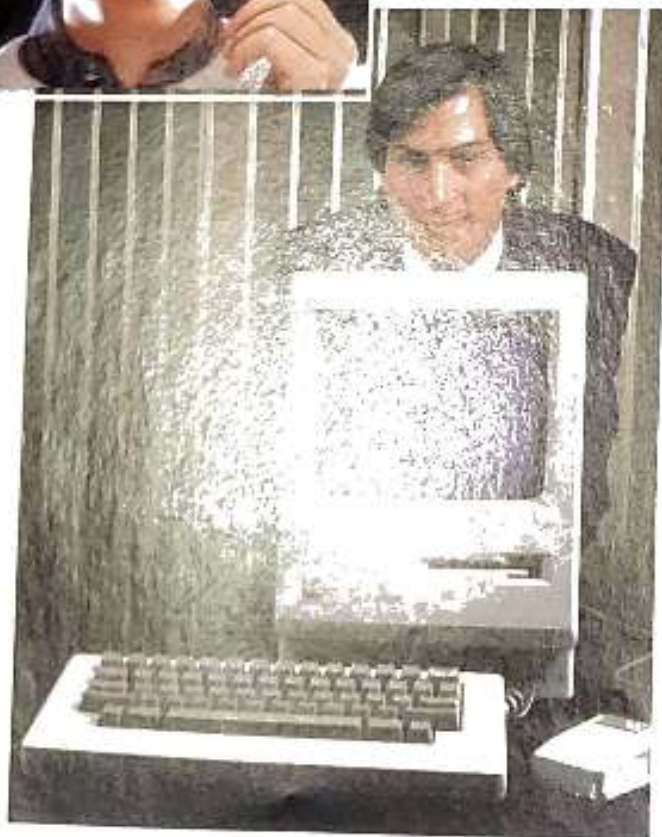
As you read, take notes identifying the effects of the rising national debt during the 1980s and early 1990s. Record your notes in a graphic organizer like the one shown here.



Dawn of the Digital Age



The innovations of Bill Gates (left) and Steve Jobs (below) changed the way Americans live, work, and play.



THE INSIDE STORY

How did two guys in a garage change the world? Try to envision the technology—or lack of it—in the

year 1980. There were no home computers, CDs, DVDs, or plasma screen TVs; no cell phones or e-mail. Microwaves and VCRs were still quite new. In 1980 people rushed to buy a new game played right on the television: Pac Man.

All that would change in the 1980s. New inventions brought immense changes in the way people lived—changes as significant, perhaps, as the invention of the printing press and the automobile.

While some revolutions start on a battlefield or in a laboratory, the personal computer revolution started in a garage in Cupertino, California. That's where **Steve Jobs**, a restless college dropout, and a friend, Steve Wozniak, started a small business called Apple Computer. The Apple II home computer was introduced in 1977. More a toy than a tool at first, Apple computers soon transformed the way Americans lived and worked.

Computers existed already, but Apple made them smaller—small enough to be usable at home on a desktop. Jobs's genius was in recognizing that computers could have appeal far beyond the community of scientists, military engineers, and other academics already using them.

Like Steve Jobs, **Bill Gates** was born in 1955 and dropped out of college to form a company. His Seattle-based company, Microsoft, invented a new type of computer-operating software. The time was ripe for his innovation. When Gates leased the software to the largest computer manufacturer, IBM (International Business Machines), a business giant was born. Microsoft soon became the world leader in computer software. ■

The Space Shuttle Blasts Off

Besides the computer, one of the more stunning technological developments of the 1980s was a new type of spacecraft. Unlike previous spacecraft, the new **space shuttle** could be reused after each flight. It lifted off like a rocket but returned to Earth like an airplane. Engineers at the National Aeronautics and Space Administration (NASA) had been developing a reusable spacecraft since the 1970s. They saw the space shuttle as a workhorse, carrying satellites and scientific experiments into space on a routine basis.

On April 12, 1981, millions of television viewers around the world watched the triumphant liftoff of the first shuttle, *Columbia*, from Cape Kennedy, Florida. At Air Force Plant 42 in Palmdale, California, where *Columbia* was built, "There was not a dry eye in the whole place," former plant commander Joe Davies recalled.

On January 28, 1986, tragedy struck the shuttle program when *Challenger* exploded after liftoff. All seven astronauts on board died, including the first private passenger, schoolteacher Christa McAuliffe. President Reagan led the nation in mourning.

Under President Reagan, NASA explored military and commercial uses for the space shuttle. This shift in priorities, along with proposals for the Star Wars (SDI) missile defense program, raised concerns about the militarization of space. The first military satellite was launched by the space shuttle in 1985.

Beyond space exploration, the shuttle program also benefited society more directly. Technologies developed or discovered by scientists on the program led to the development of such products as infrared cameras for detecting fires and a treatment for brain tumors.

READING CHECK

Summarizing What hopes and disappointments did the space shuttle create?

The Challenger Space Shuttle Tragedy



The large picture shows the Challenger space shuttle launch on January 28, 1986. Just 73 seconds after liftoff, the Challenger exploded, killing the crew. Spectators reacted with horror as they watched the explosion. The Challenger crew included the space program's first civilian passenger, New Hampshire schoolteacher Christa McAuliffe (back row, second from left).



The Economy of the 1980s

Like most periods in American history, the 1980s witnessed both good and bad economic trends. Some were not apparent until the late 1980s and the early 1990s.

Uneven economic growth The 1980s marked the longest period of U.S. peacetime economic growth up to that time. The gross domestic product (GDP), the total value of goods and services produced by the nation, grew at an average annual rate of 3.5 percent from 1982 to 1989. The stock market, too, rose to then historic highs, slowed only temporarily by a crash in 1987.

The strong growth was achieved without the high inflation that had troubled the country throughout the 1970s. The deep recession of 1982 helped to slash inflation, though at the cost of high unemployment. Moves by the Federal Reserve Board also helped. Under chairperson Paul Volcker and his successor, **Alan Greenspan**, "the Fed," as it is known, actively raised and lowered interest rates to help avoid either recession or inflation.

Following the recovery, inflation stayed under 5 percent during the rest of the 1980s and early 1990s. Unemployment slowly dropped as well. Some people credit Reaganomics for many of the positive economic trends of the 1980s. Others point to the Federal Reserve Board.

But the strong economic growth of the 1980s was unevenly distributed. Many farmers, for example, did poorly during the decade. In 1986 and 1988 droughts struck the Midwest, turning cropland into wasteland. The droughts were followed by destructive floods. Meanwhile, crop and farmland prices declined. Farmers became mired in debt.

The recession of 1982–83 had struck older U.S. industries, such as steel and automobile production, particularly hard. Many factories closed, throwing tens of thousands out of work. Bankruptcies rose 50 percent in one year. Homelessness increased sharply in many cities. Yet the relief provided by the Reagan tax cuts mainly benefited wealthier Americans.

Rising deficits Reagan's tax cuts, coupled with increased military spending, threatened to undermine the success in combating inflation. With expenditures far outstripping tax

revenue, the government's annual budget deficit nearly tripled, from \$74 billion in 1980 to \$221 billion in 1986. The national debt grew from about \$1.2 trillion to \$5.7 trillion. The interest alone on the debt increased 81 percent between 1980 and 1986. The huge government borrowing needed to fund the deficit raised fears of renewed inflation.

Another troubling economic sign was the rising U.S. trade deficit, the difference between the value of American exports and imports. The trade deficit grew throughout the 1980s as Asian economies roared to life, producing high quality goods such as automobiles by using cheaper labor and new, efficient processes.

Financial deregulation The deregulation of financial services under Reagan led to innovative business practices that changed the face of American business. Led by business tycoons such as Ivan Boesky, corporate raiders bought declining companies at a low price. They restructured them by merging them, selling off pieces of them, or dissolving them. They then sold the new entities at high prices. This corporate downsizing resulted in huge employee layoffs. Not all firms wanted to be purchased, so corporate raiders engaged in hostile takeovers. Supporters maintained that corporate raiders weeded out weak companies and improved productivity.

Savings and loan crisis The deregulation of the savings and loan (S&L) industry showed some of the risks of deregulation. S&Ls traditionally had used the money deposited to make home mortgage loans. Deregulation allowed S&Ls to offer other services, such as credit cards and investment management.

During a 1980s housing boom, deregulated S&Ls loaned out too much of their wealth. When the boom went bust, borrowers defaulted on their loans. S&Ls went bankrupt on a massive scale. The **savings and loan crisis** forced the federal government to step in and guarantee the deposits. The bailout cost taxpayers an estimated \$152 billion.

Bush and the economy The S&L crisis and a recession that began in late 1990 forced President Bush to break his campaign pledge of "no new taxes." The tax hike did not prevent the deficit from climbing to \$271 billion in 1992.

THE IMPACT TODAY

Government

In 2005 Ben S. Bernanke became chair of the Federal Reserve Board. Bernanke succeeded Alan Greenspan, who retired after heading the Federal Reserve Board for 18 years.

The Savings and Loan Crisis

Some members of Congress had grave concerns about the specific costs and methods of the S&L bailout.

"The current bailout law raises funds according to a costly 'borrow and spend' philosophy that adds billions to the bailout cost in interest. It drives up interest rates and the budget deficit. It also places the bulk of the bailout burden on those who can least afford to bear it: America's working and poor families."

Rep. Joseph P. Kennedy II
(D, MA), 1990



Many lawmakers believed the government had to bail out savings and loans and restore depositors' money, despite the cost.

"The deposit insurance grew out of the hard-learned lesson of the banking crisis that helped trigger the Great Depression. A failure to stand behind federally insured deposits would condemn us to repeat the mistakes of the past. People would lose their money and their faith in their Government, and there would be a bank panic rivaling the runs on deposits 60 years ago."

Rep. James McDermott
(D, WA), 1989

Skills
FOCUS

READING LIKE A HISTORIAN

Identifying Points of View How did the two legislators differ? Were they necessarily in complete opposition to one another? Explain.

See *Skills Handbook*, pp. H28-H29

Unemployment and poverty rose significantly during his term. Despite his foreign-policy successes, economic troubles at home proved to be Bush's political downfall.

READING CHECK **Identifying Supporting Details** List major economic trends of the 1980s.

Changes and Challenges in American Society

Social issues proved increasingly divisive in the 12 years of the Reagan and Bush administrations. Political controversies opened new cultural battle lines in America.

Milestones During the elections of the 1980s, pollsters identified a gender gap in voting patterns. Women were voting in greater proportions than men, and they voted more Democratic. Politicians began to pay more attention to women voters and their interests.

Several women in politics achieved notable milestones. In 1981 President Reagan chose an Arizona judge, Sandra Day O'Connor, to be the first woman on the U.S. Supreme Court. Reagan also appointed a woman, Jeane Kirkpatrick, to serve as ambassador to the United Nations. In 1984 Democratic presidential candidate Walter Mondale named the first woman, New York Congresswoman Geraldine Ferraro, to run on a major party ticket.

Another milestone of the era was the passage of the Americans with Disabilities Act. The law, signed by President Bush in 1990, represented the culmination of years of work by activists for disabled Americans. It outlawed discrimination on the basis of physical impairment and required employers to make "reasonable accommodations" for people with disabilities.

Changes in immigration law New waves of refugees from Southeast Asia and from poverty and upheaval in Cuba, Haiti, and other parts of Latin America triggered revisions

in U.S. immigration policy during the 1980s. Laws passed in 1980 and 1986 increased legal immigration limits and granted legal status to nearly 3 million undocumented immigrants living in the United States. It also toughened penalties on employers who knowingly hired undocumented workers. Despite these measures, illegal immigration continued to grow.

Court battles over social issues During the Reagan and Bush administrations, the Supreme Court ruled on several sensitive landmark cases. The rulings in these cases are still being felt today.

In the 1985 case *New Jersey v. T.L.O.*, the Court ruled that schools have the right to search students' belongings without being in violation of the Fourth Amendment's prohibition of unreasonable searches. You can read more about this case in the Landmark Supreme Court Cases in Section 1 of this chapter.

In *Westside Community School District v. Mergens*, the Supreme Court in 1990 ruled that a high school in Omaha, Nebraska, had to allow students to form an after-school Christian group that could meet on school grounds. Upholding the Equal Access Act, the ruling required schools that receive federal funding to

provide equal access to student groups seeking to express "religious, political, philosophical, or other content."

Following the 1973 *Roe v. Wade* decision legalizing abortion, the Court issued rulings that further defined the scope of *Roe*. In the 1992 case *Planned Parenthood of Southeastern PA v. Casey*, the Court ruled that a state could require a woman seeking an abortion to give informed consent, to wait 24 hours, and in the case of a minor, to obtain parental consent.

In another sensitive case, the Court set a precedent in cases involving the removal of life-support equipment from a critically ill patient. Nancy Cruzan sustained severe brain damage in a car accident and was said to be in a "persistent vegetative state," kept alive by a feeding tube and other medical means. The 1990 ruling in *Cruzan v. Director, Missouri Dept. of Health* recognized an adult's right to refuse medical treatment. But it ruled that the state could require "clear and convincing evidence" that the patient would have wanted to have life support removed under the circumstances.

Battles over Supreme Court nominees

President Reagan had the rare opportunity to fill three seats on the Supreme Court. He also

Chapter 10 Liberty

Church and Politics

In recent decades, Christian conservatives have been a powerful political force. Christian fundamentalism and evangelism became popular in the 1920s and gained new power when Reagan came to office. Fundamentalists and evangelicals believe in a strict interpretation of the Bible as a source of clear direction and values in society.

One leading Baptist fundamentalist minister, Jerry Falwell, called for conservative Christians to become more active in politics. He believed that the country was facing problems because its political leaders had turned away from the Christian values upon which,

he said, the United States was founded. Falwell and other conservative Christians, including the Reverend Pat Robertson and Eagle Forum founder Phyllis Schlafly, maintained that they were promoting their right to practice religion. Some opponents felt that the increased influence of religion in politics threatened the separation of church and state. The nation continues to seek ways to balance the rights of religious groups with the rights of those who have other opinions and beliefs.

Identifying the Main Idea What is the basic disagreement between some fundamentalists and their critics?



Falwell began his career at the Thomas Road Baptist Church.

appointed about half the judges in the federal court system. Both Reagan and Bush sought to appoint conservative judges, at times setting off furious confirmation clashes in the Senate. In 1987 Reagan nominated Robert Bork, a law professor and appeals court judge. Bork advocated a strict interpretation of the Constitution. Many senators and liberal groups feared he would roll back *Roe v. Wade* and civil rights laws. After angry hearings, the Senate rejected Bork. It later confirmed Reagan's next nominee, Anthony Kennedy.

Another battle took place over a Bush nominee to the Supreme Court in 1991. This nominee was **Clarence Thomas**, a conservative African American judge and former head of the federal Equal Opportunity Employment Commission (EEOC). In televised hearings, the Judiciary Committee investigated charges by law professor Anita Hill that Thomas had sexually harassed her when she worked for him at the EEOC. Hill underwent aggressive questioning by Republican senators defending Thomas, which offended many women. Thomas narrowly won confirmation.

A deadly disease In 1981 scientists identified what has since become one of the worst outbreaks of infectious disease in human history: acquired immunodeficiency syndrome, or AIDS. The deadly disease is caused by the human

Clarence Thomas's confirmation hearings were dominated by the accusation of sexual harassment. Critics were also concerned over his level of experience and his reluctance to reveal his stance on controversial issues.



immunodeficiency virus (HIV). AIDS first appeared among homosexual men and intravenous drug users, and the means of contracting it was not known. As a result, people with AIDS suffered discrimination. Scientists eventually determined that the disease is spread through transmission of bodily fluids, including sexual contact. AIDS has since spread to millions of men and women around the world.

READING CHECK Summarizing What major social changes occurred in the 1980s and early 1990s?

SECTION 4 ASSESSMENT

go.hrw.com

Online Quiz

Keyword: NST 1912

Reviewing Ideas, Terms, and People

- Identify** What pioneering roles did Steve Jobs and Bill Gates have in American society?
- Make Inferences** How do you think people reacted to the rapid technological changes brought about by the invention of personal computers?
- Evaluate** Do you think Reagan's emphasis on using the space shuttle for military and commercial purposes was wise, or should it have been reserved for scientific use only?
- Recall** What role did Alan Greenspan have in the changing U.S. economy?
- Analyze** Explain the connection between deregulation and trends such as hostile takeovers and the savings and loan crisis.
- Evaluate** How would you characterize the overall impact of Reaganomics?

- Identify** What firsts did Geraldine Ferraro and Sandra Day O'Connor achieve?
- Predict** What would be the long-term effects of Reagan's decision to nominate conservative justices to the Supreme Court?

Critical Thinking

- Identifying Cause and Effect** Copy the chart below and complete it with the causes and effects.



FOCUS ON WRITING

- Persuasive** Make the case for or against "tickle down" economic policies, using facts from the section.

Wealth in the 1980s

Historical Context The documents below provide different information about wealth in the 1980s: getting it, losing it, and being fascinated by it.

Task Examine the documents and answer the questions that follow. Then you will be asked to write an essay about how Americans viewed wealth in the 1980s, using facts from the documents and from the chapter to support the position you take in your thesis statement.

DOCUMENT 1

The rising stock market created enormous wealth for American stockholders. Some corporate managers became more concerned with companies' stock prices and profits than with their products. In the 1987 movie *Wall Street*, corporate raider Gordon Gekko, based on real-life characters such as Ivan Boesky, tells stockholders that his takeover of their company will benefit them because he will hire managers who will maximize profits for investors.

"Well, ladies and gentlemen, we're not here to indulge in fantasy, but in political and economic reality. America—America has become a second-rate power. Its trade deficit and its fiscal deficit are at nightmare proportions. Now, in the days of the free market, when our country was a top industrial power, there was accountability to the stockholder. The Carnegies, the Mellons, the men that built this great industrial empire, made sure of it because it was their money at stake. Today, management has no stake in the company! . . .

"The new law of evolution in corporate America seems to be survival of the unfittest. Well, in my book you either do it right or you get eliminated. . . .

"I am not a destroyer of companies. I am a liberator of them! The point is, ladies and gentleman, is that greed—for lack of a better word—is good. Greed is right. Greed works. Greed clarifies, cuts through, and captures the essence of the evolutionary spirit. Greed, in all of its forms—greed for life, for money, for love, knowledge—has marked the upward surge of mankind. And greed—you mark my words—will not only save Teldar Paper, but that other malfunctioning corporation called the USA."

DOCUMENT 2

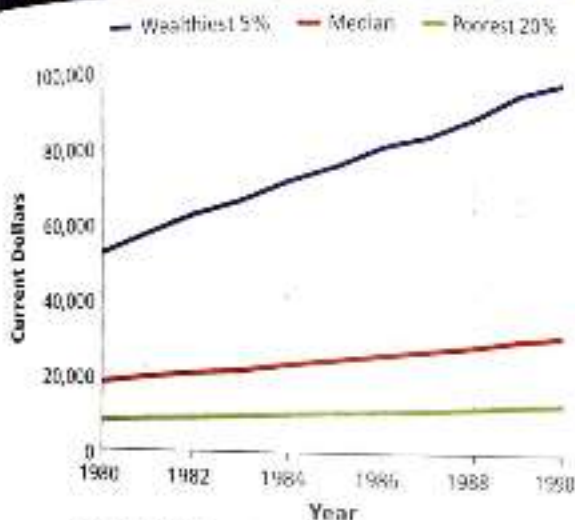
Corporate raiders bought vulnerable companies in order to reorganize and sell them or to break them up and sell off their valuable parts. Other tactics that produced great wealth on Wall Street included investments in junk bonds as well as greenmail—a tactic of tricking other investors into buying stock at a high price. The 1985 cartoon below comments on these tactics. It is titled "Invasion of the Corporate Body Snatchers," a spoof on a popular movie about aliens who take over the world.



DOCUMENT 3

The economic boom of the 1980s saw an increase in incomes for many families without the high inflation that had wiped out most income increases in the 1970s. Some of the biggest beneficiaries of the 1980s boom were richer families, who saw their incomes increase, largely from successful investments. The chart below shows the changes in wealth for families in the lowest, middle, and highest income brackets.

AVERAGE FAMILY INCOME IN THE 1980s



Source: United States Census Bureau

DOCUMENT 4

Americans were fascinated by the wealthy in the 1980s. Young people throughout the country copied the preppy look, imitating fashions associated with wealthy families of the East Coast. The most popular television shows were nighttime soap operas like *Dallas* and *Dynasty* that portrayed glamorous, if troubled, lives of rich families. In *Dynasty*, the large, oil-rich Carrington family lived an opulent lifestyle, yet they personified the saying that wealth doesn't bring happiness. Millions of viewers tuned in each week to watch the Carrington spouses, parents, and children viciously fight and plot against one another.



Skills Focus

READING 1

TORIAN

- 1. a. Summarize** Refer to Document 1. What does Gekko say about greed?
b. Interpret What point is Gekko trying to make about the American economy?
- 2. a. Describe** Refer to Document 2. How does the cartoonist portray corporate greed?
b. Analyze What message is the cartoonist trying to send about the effects of such tactics on businesses?
- 3. a. Make Generalizations** Refer to Document 3. What trends in income took place during this time period?
b. Elaborate How did the income gap between the richest and poorest families change from 1980 to 1990?

- 4. a. Contrast** Refer to Document 4. How does the picture convey the image of wealth?
b. Elaborate How do you think the public's fascination with wealthy families on television reflected their views of wealth in the real world?
- 5. Document-Based Essay Question** Consider the question below and form a thesis statement. Using examples from Documents 1, 2, 3, and 4, create an outline and write a short essay supporting your position. How did American culture reflect fascination with and concerns about wealth during the 1980s?

See **Skills Handbook**, pp. H28–29, H31, H36

Visual Summary: A Conservative Era

Reagan's First Term

- Under President Reagan, people have renewed confidence in America.
- Conservative policies begin, such as smaller government and increased defense spending
- Supply-side economics, lower taxes, and big deficits occur.

The New World Order

- George H. W. Bush becomes president.
- Soviet empire collapses, although China remains Communist.
- "New world order" proves dangerous, as United States goes to war with Iraq.

The Reagan and Bush Administrations**Reagan's Foreign Policy**

- The Soviet Union becomes a partner in arms control.
- Staunch anti-communism leads to the invasion of Grenada and the Iran-Contra scandal.

Life in the 1980s

- Good economic times, although not for all.
- Social issues divide society and lead to Supreme Court battles.

Reviewing Key Terms and People

For each term or name below, write a sentence explaining its significance.

1. Sandra Day O'Connor
2. velvet revolution
3. Bill Gates
4. space shuttle
5. Tiananmen Square massacre
6. New Right
7. Lech Walesa
8. Clarence Thomas
9. Strategic Defense Initiative
10. Iran-Contra affair
11. David A. Stockman
12. Ronald Reagan

Comprehension and Critical Thinking**SECTION 1** (pp. 1046–1051)

- 13. a. Identify** Write a brief explanation of the following terms: supply-side economics, Reaganomics.
- b. Analyze** How did Ronald Reagan represent the conservative response to the liberalism of the 1960s?
- c. Rank** How important were social changes to conservatives? How important were economic and governmental changes?

SECTION 2 (pp. 1053–1058)

- 14. a. Recall** What was Solidarity? How did it rise to power?
- b. Draw Conclusions** How was the success of Solidarity an early indicator of troubles for the Soviet Union?
- c. Evaluate** Was Ronald Reagan successful in increasing pressure on the Soviet Union for change? Explain.

SECTION 3 (pp. 1059–1065)

15. **a. Describe** How did *glasnost* and *perestroika* come about in the Soviet Union? What were they meant to accomplish?
- b. Sequence** What major foreign-policy challenges occurred during the administration of President George H. W. Bush?
- c. Elaborate** Why did the START talks represent such a major change in U.S.–Soviet relations?

SECTION 4 (pp. 1066–1071)

16. **a. Identify** Explain the significance of the following: Alan Greenspan, savings and loan crisis.
- b. Generalize** What major trends occurred in the American economy during the 1980s?
- c. Evaluate** In 1980 Ronald Reagan asked the country, “Are you better off than you were four years ago?” How do you think most Americans would have answered that question at the end of his presidency?

Using the Internet

17. First Lady Nancy Reagan was a complicated figure in American politics and history. She was criticized for the way she ran the White House and influenced her husband. She also was greatly admired by many Americans. Using the keyword above, research and write a short biography of Nancy Reagan that emphasizes her impact on the country and on her husband’s administration.

go.hrw.com

Practice Online

Keyword: SC7 CH32

Analyzing Primary Sources

Reading Like a Historian Read the quotation from President Reagan’s “evil empire” speech in Section 2. Then answer the following questions.

18. How did Reagan distinguish his view of the Soviet Union from others’ views?
19. What words does Reagan use to emphasize his opinion of the Soviet Union and its goals?

History’s Impact video program
Review the video to answer the closing question:
What did the collapse of the Berlin Wall signify for both the United States and the rest of the world?

Critical Reading

Read the American Civil Liberties Union’s article titled “Smaller Government.” Then answer the questions that follow.

20. Ronald Reagan opposed big government because he believed that:
- A taxes on poor people were too high
 - B government did not control industries such as petroleum and airlines
 - C government did not provide enough services
 - D government spent too much and regulated too much
21. Reagan wanted to change government by:
- A increasing the budget deficit
 - B deregulating industries and cutting taxes
 - C placing restrictions on key industries
 - D increasing spending on social programs

Writing for the SAT

Think about the following issue.

To battle apartheid in South Africa, the Reagan administration preferred a policy of “constructive engagement.” Critics wanted to cut off relations with the white government and withdraw U.S. investments in the South African economy. Reagan disagreed, saying that if the United States withdrew, it would have no bargaining power with which to influence government policy. Congress opposed Reagan and placed a boycott on some South African products.

22. **Assignment** When a government such as South Africa pursues repressive policies against its people, should the United States punish it harshly by boycotting its products and severing government relations? Or should it allow U.S. businesses to continue to operate in the country, using the threat of withdrawal to force the government to change its ways? Support your answer with reasoning and facts.