

Mr. Hamaguchi

THE REAGAN YEARS

**THE CONSERVATIVE
RESURGENCE**

CONSERVATIVE RESURGENCE DEFINED

- ▶ President Ronald Reagan's election marks a shift to the right in domestic and foreign policy.
- ▶ With the collapse of the Soviet Union, the Cold War ends and the U.S. confronts an overhaul of foreign goals.

THE CONSERVATIVE MOVEMENT BUILDS

- ▶ Conservative Issues
- ▶ Entitlement Programs
 - ▶ Provide guaranteed benefits to the middle class and elderly
 - ▶ High cost and stories of welfare fraud upset taxpayers
 - ▶ Civil Rights rulings affirmative action and “busing” to achieve diversity quotas
- ▶ The New Right
- ▶ Collection of grass-roots groups promoting single issues
- ▶ Affirmative Action - special consideration for women, minorities.
 - ▶ Many say it’s reverse discrimination, favoring one group over another

THE CONSERVATIVE MOVEMENT BUILDS



▶ Conservative Coalition

- ▶ Pro-Business, religious, and other conservative viewpoints in Congress that brought together the majority of Republicans and conservative Democrats

▶ Moral Majority

- ▶ Religious revival uses TV and radio. Strong support among fundamentalists

▶ Heritage Foundation

- ▶ Think tank consisting of political, business/industry leaders, economic and social policy experts with a mission to
 - ▶ Formulate and promote conservative public policies based on the principles of free enterprise, limited government, individual freedom, traditional American values, and a strong national defense

REAGANOMICS

▶ Reagan Economic Policies

- ▶ Reagan encourages private investment by cutting federal government services; conservative theory says that renewed competition in private industry will produce economic growth AND absorb the shortfall in services produced by the cuts

▶ Budget Cuts

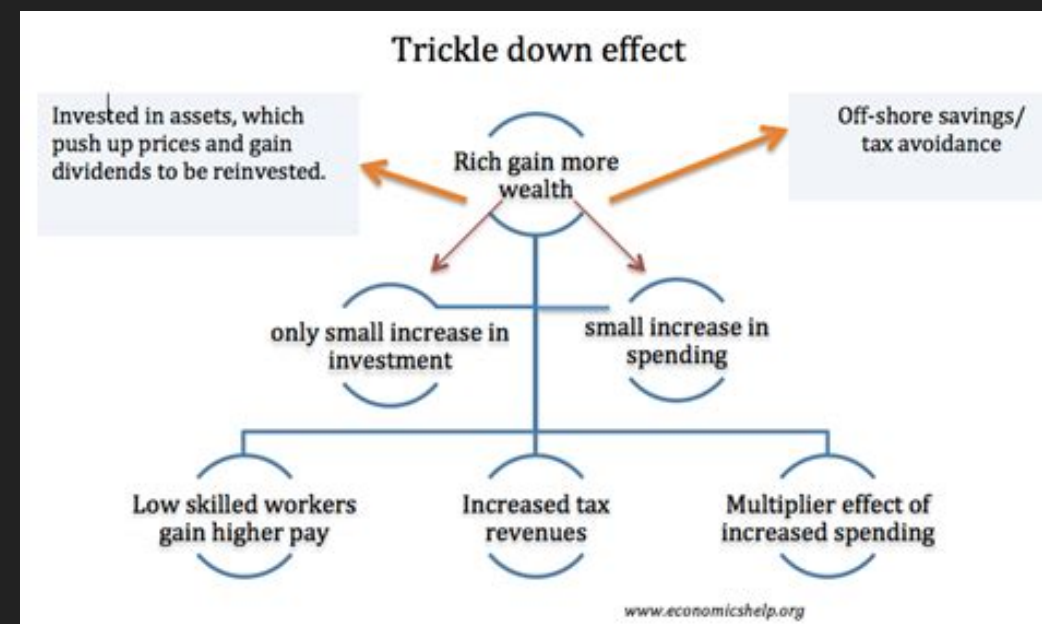
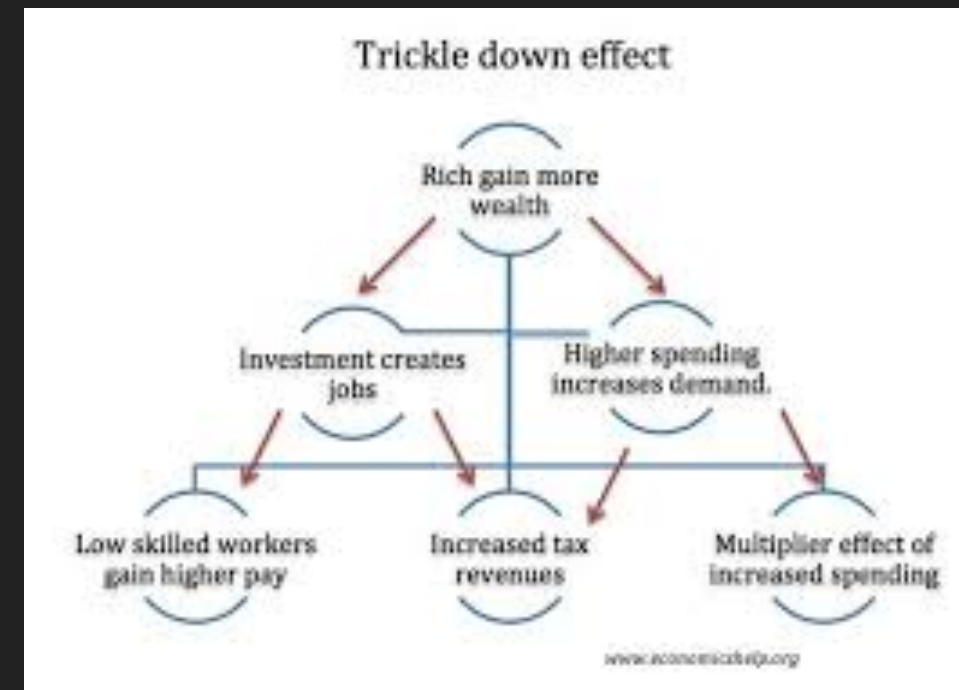
- ▶ Maintains entitlement programs
- ▶ Cuts programs that benefit the poor (food stamps, unemployment programs)

▶ Tax Cuts

- ▶ Reduces top tax bracket from 70% in 1980 to a final low of 28% by 1988
- ▶ Eliminated several tax brackets and deductions, increased payroll taxes when it became clear that wholesale tax cuts weren't working
- ▶ Tax burden on the middle class increases

SUPPLY SIDE ECONOMICS OR TRICKLE DOWN ECONOMICS

- ▶ Lower taxes result in:
 - ▶ More investment
 - ▶ Greater productivity
 - ▶ More supply
 - ▶ Lower prices



LONG TERM EFFECTS OF 1980'S ECONOMICS

The Long Term Effects of Conservative Economics Introduced in the 1980s

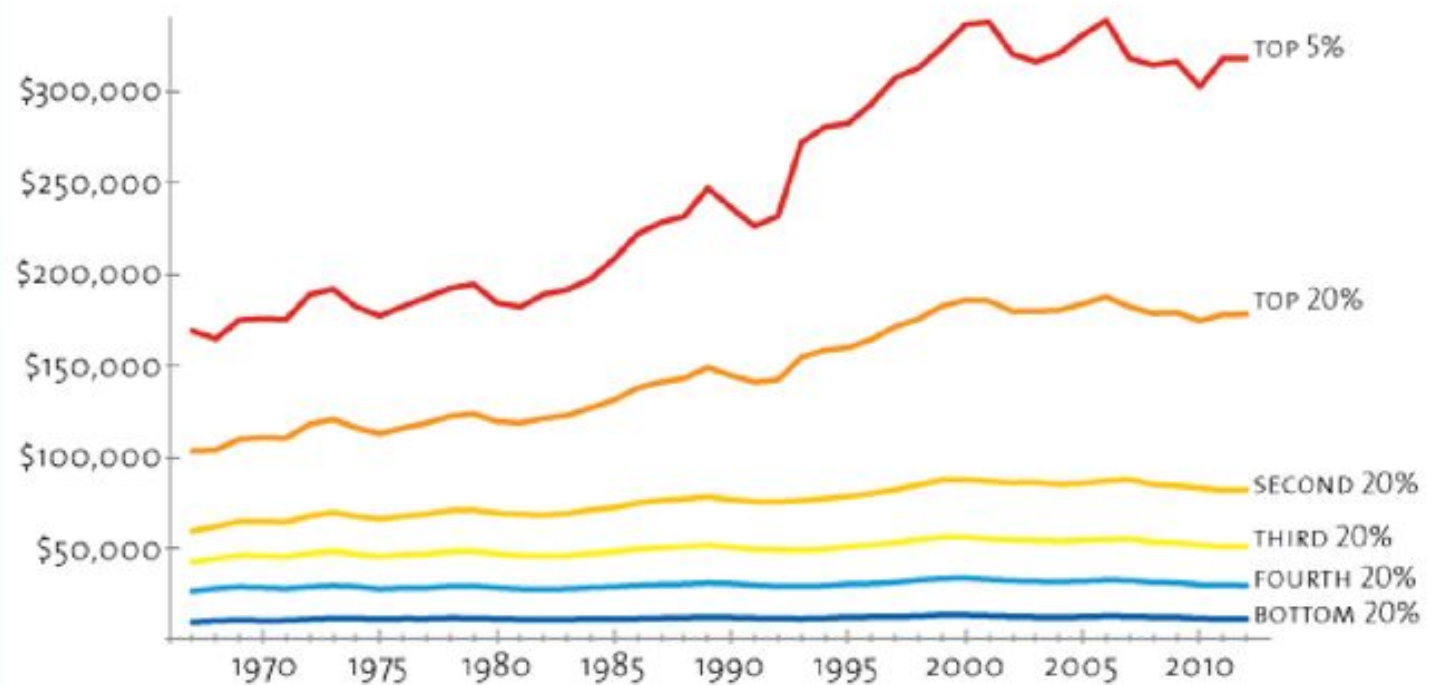
GDP Growth continues, fairly regular gains over time

Top 1% sees a 72% increase in overall wealth

Middle and working class families stagnate; wages fail to rise to match an increasing cost of living

Bottom 10% sees a 12% decrease in overall wealth

Average Household Income, 1967-2012
in 2012 dollars, by percentile



SOURCE: CENSUS BUREAU

Mother Jones

JUDICIAL POWER SHIFTS TO THE RIGHT



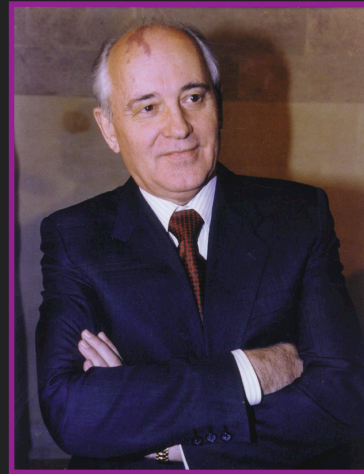
- ▶ Supreme Court Appointments
 - ▶ Reagan appoints Sandra Day O'Connor first woman justice
 - ▶ Other Reagan, Bush appointments make Court more conservative
- ▶ Court places restrictions on abortion (Roe v. Wade)
- ▶ Made it easier for states to create laws which restrict access to rights guaranteed by Roe decision
- ▶ Immigration Reform and Control Act
 - ▶ Tightens restrictions on immigration, but offers amnesty to more than 3 million undocumented immigrants who entered the U.S. before 1982

DEREGULATING THE ECONOMY AFFECTS THE ENVIRONMENT

- ▶ Reducing the Size of the Government
 - ▶ Budget cuts deregulates industries (pollution, emission taxes cut or reduced)
- ▶ Cut the budget of the EPA by 28%
- ▶ Department of the Interior permits more oil drilling, lumbering, and coal mining
- ▶ Sells millions of acres of public lands for industrial and military development

COLD WAR ENDS

▶ Gorbachev Initiates Reform



- ▶ Mikhail Gorbachev - general secretary of Soviet Communist Party
- ▶ Soviet economy stressed with Reagan defense spending added - Strategic Defense Initiative (SDI) or "Star Wars"
- ▶ Enacted glasnost - consultative government and freedom of information
- ▶ Planned a strategy of perestroika - economic and political reform
- ▶ Wanted better relations with U.S. before the U.S.S.R. cut military spending
 - ▶ Negotiated an arms-control agreement INF Treaty (intermediate Range Nuclear Forces Treaty)

COLLAPSE OF COMMUNIST REGIMES

- ▶ Gorbachev urged de
- ▶ 1989 Ber
- ▶ 1990 - Ge
- ▶ Czechosl
- ▶ Romania



THE SOVIET UNION DECLINES

- ▶ By 1991, the Soviet Union was in a state of collapse. Gorbachev's reforms had weakened the central government's control over the republics.
- ▶ Communist Party leaders in the republics were demanding more independence.
- ▶ In 1991, the Soviet Union signed the Alma-Ata Declaration, which recognized the independence of the republics and the end of the Soviet Union.



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|--------------|--------------|------------------|----------------|
| Introduction | 4. Lithuania | 8. Georgia | 12. Uzbekistan |
| 1. Russia | 5. Belarus | 9. Armenia | 13. Tajikistan |
| 2. Estonia | 6. Ukraine | 10. Azerbaijan | 14. Kyrgyzstan |
| 3. Latvia | 7. Moldova | 11. Turkmenistan | 15. Kazakhstan |

independence;

(Treaties) were
offensive nuclear