PERIOD 2 - 1980's

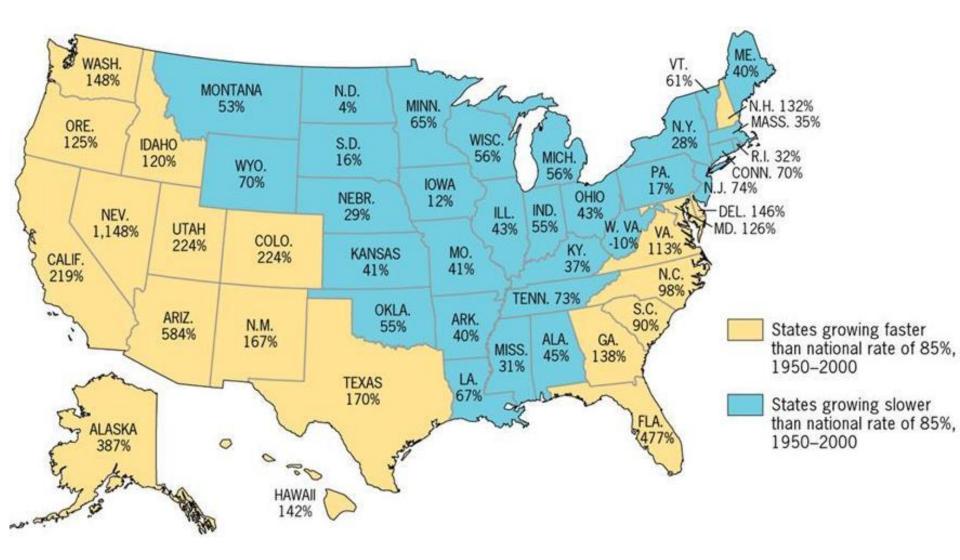
- Migration to Sunbelt
- Reagan Administration
- Cocaine
- Challenger Explosion
- Personal Computers/Jordans
- Exxon Valdez
- Game Boy
- Black Monday 1987
- Iran/Iraq War
- Nicaragua Revolution
- Iran Missile Crisis

PERIOD 1 1980's

Historians link the rise of this New Right in part to the growth of the so-called Sunbelt where the population began to expand after World War II and exploded during the 1970s. This happened because they had grown tired of the seemingly insurmountable problems facing aging cities, such as overcrowding, pollution and crime.

Perhaps most of all, they were tired of paying high taxes for social programs they did not consider effective and were worried about the stagnating economy. Many were also frustrated by what they saw as the federal government's constant, costly and inappropriate interference. Many citizens who had once supported more liberal policies but who no longer believed the Democratic Party represented their interests.

PERIOD 1 1980's



The inauguration of Ronald Reagan as the 40th president of the United States occurs in Washington, D.C. It was followed by the release of the fifty-two Americans still held hostage in Tehran. The Iranian hostage crisis, which lasted four hundred and forty-four days, was negotiated for the return of \$8 billion in frozen Iranian assets.



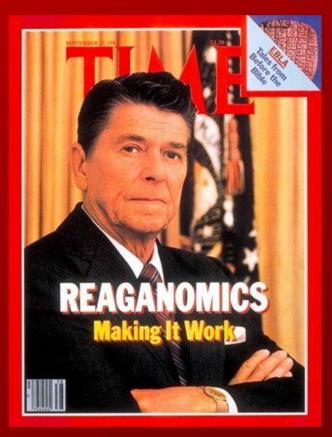
President Ronald Reagan Administration:

Economic Recovery Act (1981)(known as Reaganomics)Increases in military spending

•Reductions in certain social programs and measures to deregulate business.

•In 1981, Reagan made history by appointing Sandra Day O'Connor (1930-) as the first woman to the U.S. Supreme Court.

Supply-Side Economics a.k.a "Reaganomics"



- Cut taxes to put more money into the hands of businesses
- Cut taxes on the wealthiest Americans
- Lower taxes = more investment in the "supply side" of the economy
- Would:
 - promote and create new jobs
 - encourage capital investment, and
 - lead to stimulated industrial growth

Tax relief for the rich would enable them to spend and invest more. This new spending would stimulate the economy and create new jobs. Reagan believed that a tax cut of this nature would ultimately generate even more revenue for the federal government. The Congress was not as sure as Reagan, but they did approve a 25% cut during Reagan's first term.

The results of this plan were mixed. Initially, the Federal Reserve Board believed the tax cut would re-ignite inflation and raise interest rates. This sparked a deep recession in 1981 and 1982. The high interest rates caused the value of the dollar to rise on the international exchange market, making American goods more expensive abroad. As a result, exports decreased while imports increased. Eventually, the economy stabilized in 1983, and the remaining years of Reagan's administration showed national growth.

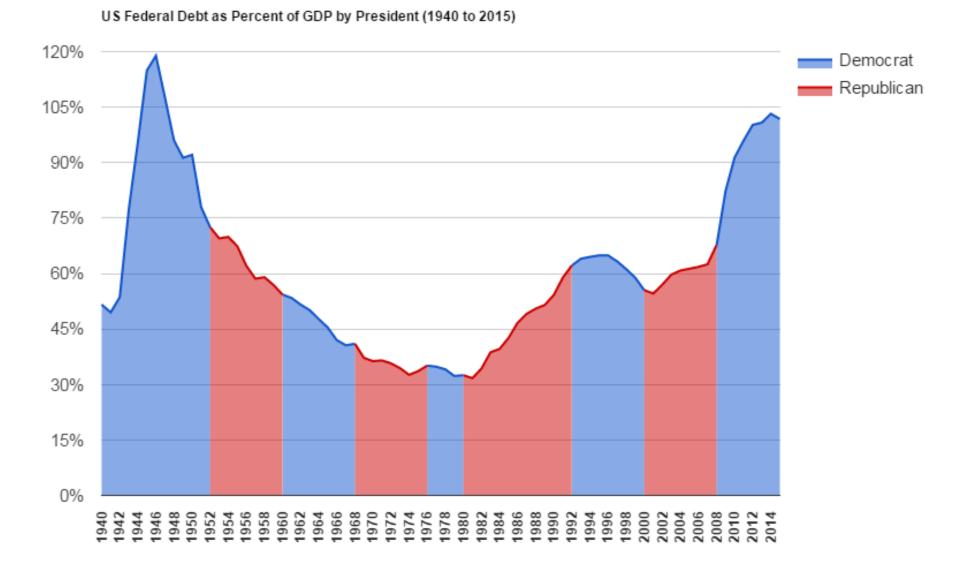
The defense industry boomed as well. Reagan insisted that the United States was open to a "window of vulnerability" to the Soviet Union regarding nuclear defense. Massive government contracts were awarded to defense firms to upgrade the nation's military. Reagan even proposed a space-based missile defense system called the Strategic Defense Initiative. Scientists were dubious about the feasibility of a laser-guided system that could shoot down enemy missiles. Critics labeled the plan "Star Wars."

Budget deficits

Ronald Reagan's increased spending and accompanying tax cuts resulted in dramatic budget deficits during the 1980s. A deficit occurs when spending exceeds revenues in any year. The drop you see at the end of this chart represents recent attempts to achieve a "balanced budget" — a spending plan where the funds available for use equal the funds spent by the federal government.

Economists disagreed over the achievements of Reaganomics. Tax cuts plus increased military spending would cost the federal government trillions of dollars. Reagan advocated paying for these expenses by slashing government programs. In the end, the Congress approved his tax and defense plans, but refused to make any deep cuts to the welfare state. Even Reagan himself was squeamish about attacking popular programs like Social Security and Medicare, which consume the largest percentages of taxpayer dollars. The results were skyrocketing deficits.

The national debt tripled from one to three trillion dollars during the Reagan Years. The President and conservatives in Congress cried for a balanced budget amendment, but neither branch had the discipline to propose or enact a balanced budget. The growth that Americans enjoyed during the 1980s came at a huge price for the generations to follow.



President Ronald Reagan Administration:

During his second term, Reagan forged a diplomatic relationship with the reform-minded Mikhail Gorbachev (1931-), who became leader of the Soviet Union in 1985. In 1987, the Americans and Soviets signed a historic agreement to eliminate intermediaterange nuclear missiles. That same year, Reagan spoke at Germany's Berlin Wall, a symbol of communism, and famously challenged Gorbachev to tear it down. Twenty-nine months later, Gorbachev allowed the people of Berlin to dismantle the wall. After leaving the White House, Reagan returned to Germany in September 1990—just weeks before Germany was officially reunified—and took several symbolic swings with a hammer at a remaining chunk of the wall.







Crack Cocaine

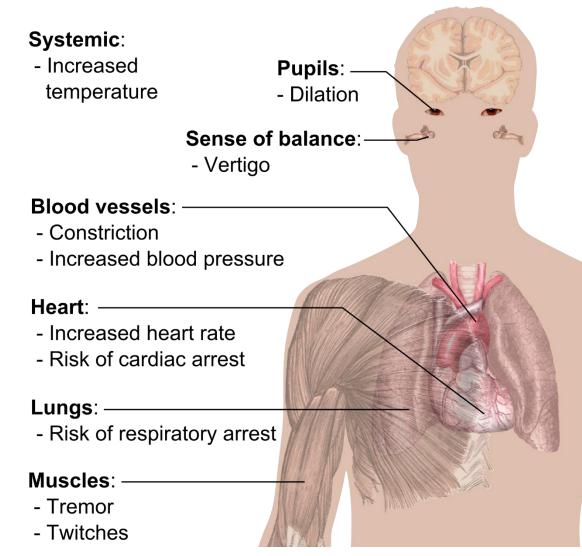


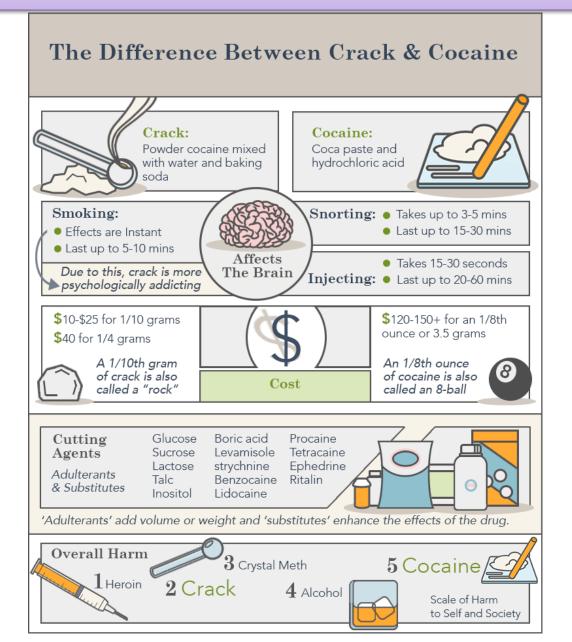






Main physiological effects of Crack cocaine





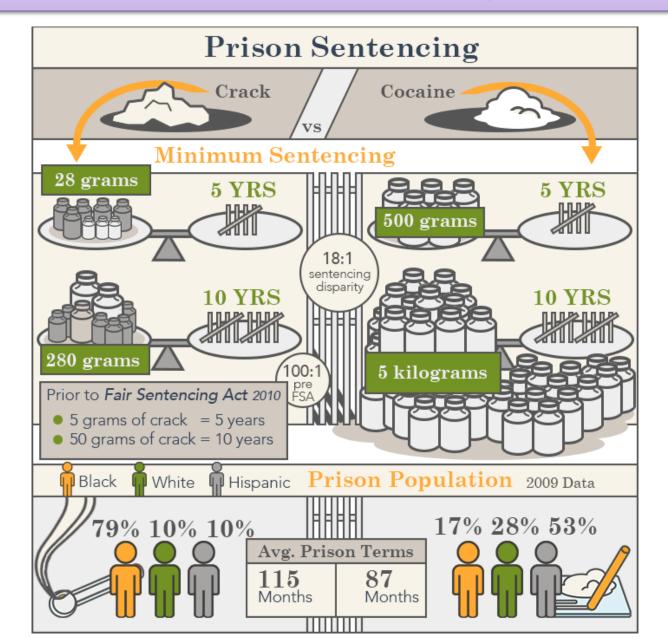
While the use of coca leaves as an intoxicant dates back three thousand years, crack cocaine, a crystallized form of cocaine, was developed during the cocaine boom of the 1970s and its use spread in the mid-1980s.

Faced with dropping prices for their illegal product, drug dealers converted the powder to "crack," a solid form of cocaine that could be smoked.

Broken into small chunks, or "rocks," this form of cocaine could be sold in smaller quantities, to more people at bigger profit. It was cheap, simple to produce, easy to use, and highly profitable for dealers.

As early as 1980, reports of crack use were appearing in Los Angeles, San Diego, Houston and the Caribbean.

The biggest surge in the use of the drug occurred during the "crack epidemic," between 1984 and 1990, when the drug spread across American cities. The crack epidemic dramatically increased the number of Americans addicted to cocaine. In 1985, the number of people who admitted using cocaine on a routine basis increased from 4.2 million to 5.8 million.



The NASA space shuttle Challenger exploded on January 28, 1986, just 73 seconds after liftoff, bringing a devastating end to the spacecraft's 10th mission. The disaster claimed the lives of all seven astronauts aboard, including Christa McAuliffe, a teacher from New Hampshire who would have been the first civilian in space. It was later determined that two rubber O-rings, which had been designed to separate the sections of the rocket booster, had failed due to cold temperatures on the morning of the launch. The tragedy and its aftermath received extensive media coverage and prompted NASA to temporarily suspend all shuttle missions.



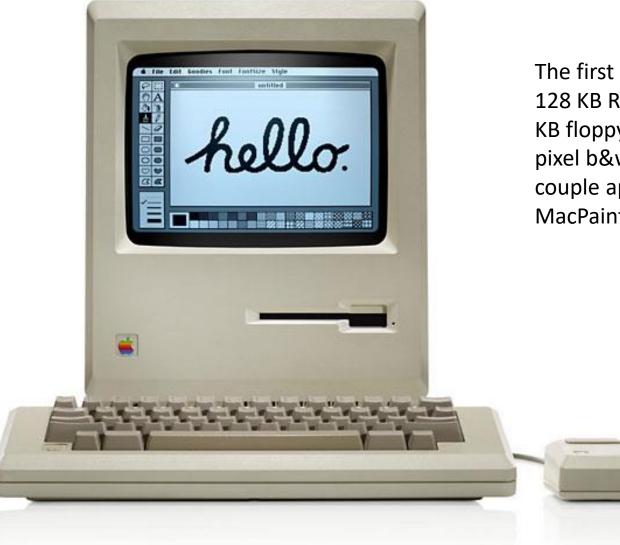






The first Macintosh computer was introduced by Steve Jobs on January 24, 1984 at \$2,495. Apple sold 70,000 units within the first few months on the market.

The Macintosh was the first commercially successful personal computer to feature a **mouse** and a graphical user interface (GUI) rather than a command-line interface. Unlike the command-line interface, the Mac called its directories "folders" and used an **icon of a file folder** to represent each folder on what looked like a stylized desktop. Files the user didn't want or need went in the "Trash" represented by a recognizable trash-can icon. The interface made visual sense, which made it easy and intuitive to use.



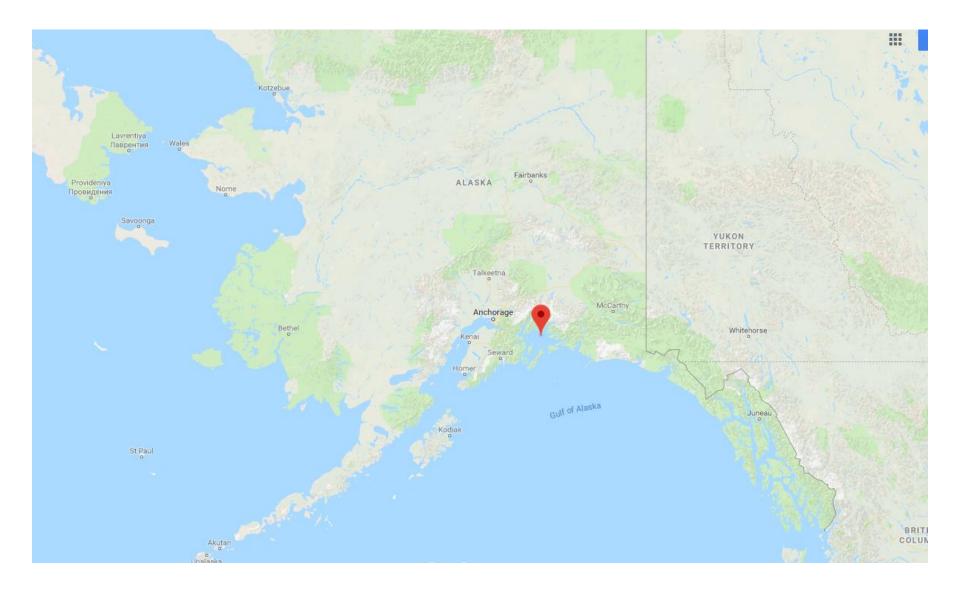
The first Mac was equipped with 128 KB RAM, 64 KB ROM, a 3.5" 400 KB floppy drive, a 1-bit 512 x 342 pixel b&w monitor, a mouse, and a couple applications (MacWrite and MacPaint).

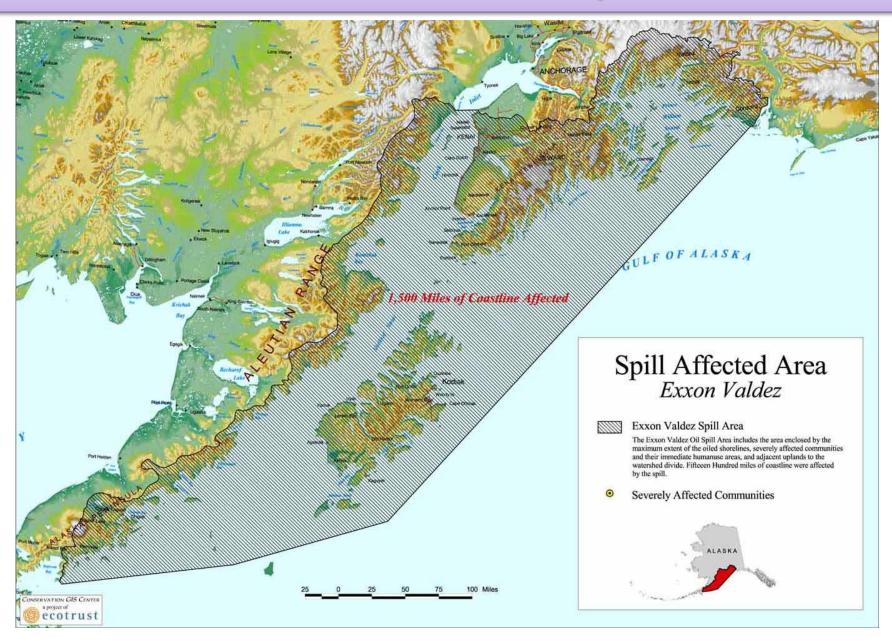
A stepping stone to the world of Air Jordan is the **Original Air Jordan 1 (I) White Black Red**, which was worn by Michael Jordan the majority of the 1985 season. What Michael Jordan called "Devil Shoes", the Air Jordan 1 (I) White Black Red sold for \$64.99.



Exxon Valdez

Exxon Valdez oil spill, massive oil spill that occurred on March 24, 1989, in Prince William Sound, an inlet in the Gulf of Alaska, Alaska, U.S. The incident happened after an Exxon Corporation tanker, the Exxon Valdez, ran aground on Bligh Reef during a voyage from Valdez, Alaska, to California. Delayed efforts to contain the spill and naturally strong winds and waves dispersed nearly 11,000,000 gallons (41,640 kilolitres) of North Slope crude oil across the sound. The spill eventually polluted 1,300 miles (2,092 kilometres) of indented shoreline, as well as adjacent waters, as far south as the southern end of Shelikof Strait between Kodiak Island and the Alaska Peninsula. Alaska Sen. Ted Stevens emerged as a strong proponent of securing federal funds to pay for the damage. Thousands of workers and volunteers helped to clean up after the oil spill, and Exxon provided \$2.1 billion in funding. Despite these cleanup efforts, the spill exterminated much native wildlife, including salmon, herring, sea otters, bald eagles, and killer whales.





Nintendo Game Boy

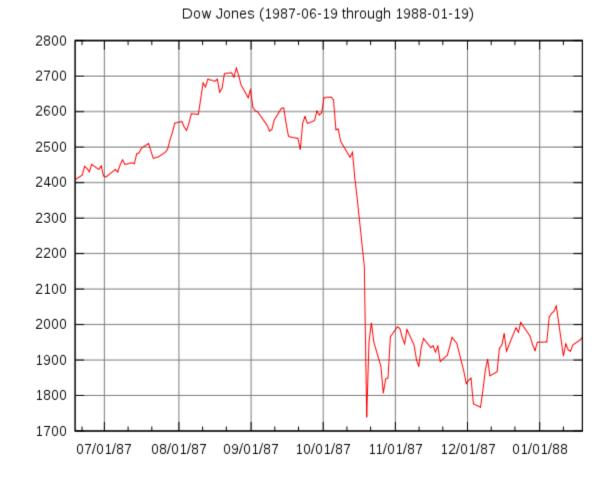
Technical Details

CPU Custom 8-Bit CMOS, 2.2Mhz clock speed
Memory 64-Kbit static RAM
Screen STN type dot matrix LCD, 160 x 144 pixels, 4 shades of grey
Size 90mm x 148mm x 32mm (Game Boy)
Weight Approx. 300g with batteries (Game Boy)
Power 4 x AA batteries (Game Boy), 2 x AAA batteries (Game Boy Pocket)
Battery Life Approx. 15 hours (Game Boy), approx 10 hours (Game Boy Pocket)
Sound 4-channel FM stereo, Output: Speaker (10mW), Headphones (2mW)



Black Monday October 19, 1987

In finance, Black Monday refers to Monday, October 19, 1987, when stock markets around the world crashed, shedding a huge value in a very short time. The crash began in Hong Kong and spread west to Europe, hitting the United States after other markets had already declined by a significant margin. The **Dow Jones Industrial** Average (DJIA) fell exactly 508 points to 1,738.74 (22.61%).



Black Monday October 19, 1987



The crash of Oct. 19, 1987 hacked about \$1 trillion off the value of the U.S. stock market, versus an estimated \$14 billion on Black Tuesday, Oct. 29, 1929.

The crash of 1929 represented an enormous loss of wealth – both for individuals and companies. The crash of 1987 was sort like the market losing its wallet for a couple of months One possible reason was that the Federal Reserve intervened in 1987, having inexplicably failed to do so in 1929.

The Iran-Iraq War was fought for two simple reasons: Land and Oil. Saddam Hussein had just become President of Iraq and he wanted to expand Iraq's presence in the Middle East. Ayatollah Khomeini, Supreme Leader of Iran, was dealing with civil discontent within Iran and the fall out of sanctions levied against Iran by President Carter after the U.S. Embassy attack.



During the eight years between Iraq's formal declaration of war on September 22, 1980, and Iran's acceptance of a cease-fire with effect on July 20, 1988.

- At least half a million and possibly twice as many troops were killed on both sides.
- At least half a million became permanent invalids, some 228 billion dollars were directly expended
- More than 400 billion dollars of damage (mostly to oil facilities, but also to cities) was inflicted, mostly by artillery barrages.



Ayatollah Khomeini



Saddam Hussein



Three things distinguish the Iran-Iraq War.

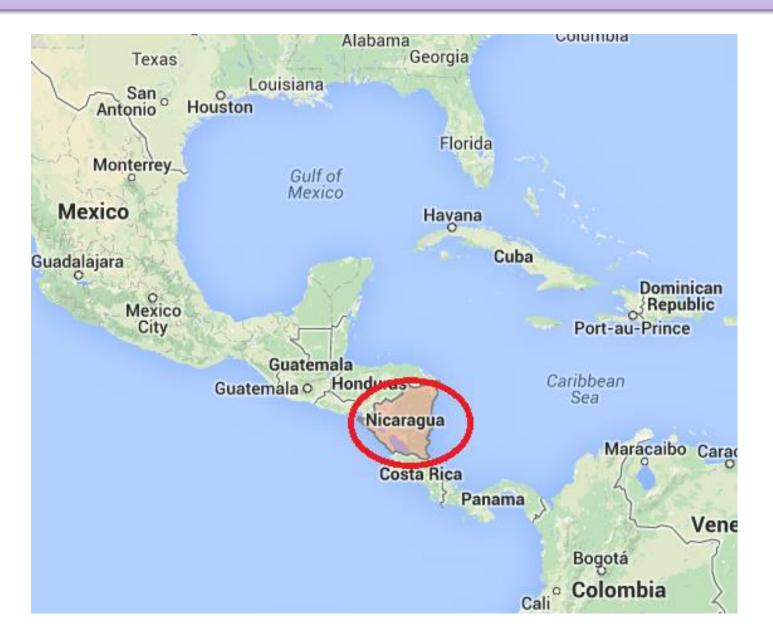
- It was inordinately protracted, lasting longer than either world war, essentially because Iran did not want to end it, while Iraq could not.
- It was sharply asymmetrical in the means employed by each side, because though both sides exported oil and purchased military imports throughout, Iraq was further subsidized and supported by Kuwait and Saudi Arabia, allowing it to acquire advanced weapons and expertise on a much larger scale than Iran.
- It included three modes of warfare absent in all previous wars since 1945:
 Iraq
 - indiscriminate ballistic-missile attacks on cities.
 - the extensive use of chemical weapons
 - Some520 attacks on third-country oil tankers in the Persian Gulf-for which Iraq employed mostly manned aircraft with anti-shipping missiles against tankers lifting oil from Iran's terminals
 - •lran
 - used mines, gunboats, shore-launched missiles, and helicopters against tankers lifting oil from the terminals of Iraq's Arab backers.

Nicaraguan Revolution

Nicaragua is the largest Central American country. It was established by the Spanish in the 1500's. Throughout their history, Nicaragua has been embroiled in many revolutions against invading forces such as the Spanish, the U.S. and dictatorship within the country.

The most historic revolution was began in 1979 known as the Nicaraguan Revolution. Nicaragua was ruled by the Somoza dynasty from 1927-1979. Started by Anastasio Somoza García, his family led a dictatorship regime. In 1979, the Sandinista National Liberation Front (FSLN) overthrew the Somoza regime and established a revolutionary government.

In 1980, the Carter administration provided \$60 million in aid to Nicaragua under the Sandinistas, but the aid was suspended when it obtained evidence of Nicaraguan shipment of arms to El Salvadoran rebels. In response to the coming to power of the Sandinistas, various rebel groups collectively known as the "contras" were formed to oppose the new government. The Reagan administration authorized the CIA to help the contra rebels with funding, armaments, and training. The contras operated out of camps in the neighboring countries of Honduras to the north and Costa Rica to the south



President Ronald Reagan, who saw the Sandinista government in Nicaragua as a puppet of the Soviet Union, had secured U.S. funding for the Contras in 1981.

The Iran-Contra affair involved the secret sale of U.S. weapons to Iran (which was supposed to help in the release of U.S. hostages in the Middle East). Some of the proceeds from these sales were used to covertly fund the Contra war in Nicaragua.

A Congressional investigation, begun in December 1986, revealed the scheme to the public. Many figures from the Reagan administration were called to testify. These included Marine Lieutenant Colonel Oliver North, who was the action officer in charge of coordinating both the arms sales and funneling of money to the Contras.





"A few months ago I told the American people I did not trade arms for hostages. My heart and my best intentions still tell me that's true, but the facts and the evidence tell me it is not. As the Tower board reported, what began as a strategic opening to Iran deteriorated, in its implementation, into trading arms for hostages." (March 4, 1987)



