Reagan Becomes President
Ronald Reagan was elected President in 1980. Many Presidents before Reagan used government money to pay for programs to provide people with services such as health care, job training, and housing. Reagan spent less money on government programs.

Reagan believed a strong economy would help people more than government programs. He used deregulation to help businesses. At the end of his term, about 20 million more people had jobs than when he took office. Reagan spent a lot more government money on the military. He thought a strong military would keep America safe and end the Cold War. Increased spending caused the highest deficit America had ever had.

International Events
In the 1980s, the Soviet Union was having serious trouble. Its economy could not provide enough goods, jobs, and housing for its people. Too much money was spent on the arms race with the United States.

Soviet leader Mikhail Gorbachev worked to end the Cold War. He wanted a better relationship with the United States. Reagan and Gorbachev first met in 1985 to talk about the arms race. In 1987, they signed a treaty that lowered the number of nuclear weapons each country had.

In 1988, George Bush was elected President. The Soviet Union was growing weaker. The Cold War was over. Many nations split from the Soviet Union to form independent countries.

In 1990, there was more trouble in the Middle East. Saddam Hussein, the leader of Iraq, invaded a neighboring country, Kuwait, to take over its oil fields. President Bush asked other countries in the United Nations to form a coalition to fight Iraq. The Persian Gulf War lasted about seven weeks. In 1991, the coalition forces won because they used advance weapons and highly trained soldiers. Iraq left Kuwait, but Hussein stayed in power.