The 1980s

Enacting Change Through Economic Policies

**DEFICIT**

The $195.4 billion federal budget deficit in 1983 surpasses 1982's "largest deficit in history" as defense spending soars. The Balanced Budget and Emergency Deficit Control Act (1985) raises the federal debt limit to avoid default.


**DROUGHT**

Farmers face droughts and falling commodity prices and land values. The Agriculture and Food Act (1981) costs $49 billion more than estimated. The Food Security Act (1985) anticipates spending another $100.6 billion on farm programs.


**TAXES**


Photo. A joint U.S. Senate and House of Representatives hearing is held on tax reform. Dennis Brack, Alamy Stock Photo, July 1986.

**SAVINGS & LOAN**

Thrift savings institutions succumb to interest-rate hikes and inflation. The Financial Institutions Reform, Recovery, and Enforcement Act (1989) tackles 511 thrift savings institution insolvencies. The bailout's estimated cost: $150 billion to $160 billion.


Find more Survey history at www.bea.gov/scb/centennial/decades/1980s.htm