The Carter Administration
1977-1981
National Energy Act

- Placed a tax on gas guzzling cars
- Removed price controls on oil and natural gas production
- Tax credits for developing alternative energy
- Importance: by 1979 our dependence on oil lessened
A Changing Economy

- Stagflation
- 1980: inflation at 14% and standard of living decreasing
- Foreign competition: automotive, iron & steel, rubber, clothing
Camp David Accords

- Background: Islam v. Judaism; Six Day War, 1967; Yom Kippur War, 1974
- Meeting at Camp David between leaders of Egypt and Israel
- Agreement ended hostilities between them
Iranian Hostage Crisis

- 1950s, U.S. provided political and military assistance to the gov. of the shah of Iran
- Oct. 1979, the shah came to the U.S. for medical treatment
- Nov. 1979, Ayatollah Khomeini led rebels and overthrew the gov. and took 52 American hostages from the U.S. embassy
- Hostages were released on January 20, 1981