

Abstract

The thesis, as suggested by its name *Economic Policy in the U.S. in the era of Ronald Reagan and Its Impact*, has as its primary goal the assessment of economic policy under president Ronald Reagan in the 1980s. During his two presidential terms, Reagan managed to completely alter the contemporary Keynesian approach to the economy, when he shifted the trend back to individual responsibility and free market. The thesis's mission is to prove that the so-called Reaganomics resulted in partial economic success in spheres such as lowering inflation and GDP growth, while, on the other hand, having negative impact in the sphere of the federal budget. The first chapter includes the introduction to Reagan's revolutionary economic ideology, particularly to the supply-side theory. The following chapter then examines the character and execution of individual reforms, so that the last chapter can successfully analyze its impact based on macroeconomic indicators.