The budget deficit first arose in the 70s (after 1973)
as a consequence of the accumulation of ~~funds~~ savings
by the pension funds which had to be found a use,

In 1979 + Reagan added to this, firstly, a
structural deficit by cutting taxes + increasing defense outlays

second, by increasing interest (from 1980.)
through restriction from autumn 1979 on Volker 1979 Nov.
they increased the dollar from 1980 to 84/85

and
~~This~~ created depression
1980-82

On account of this
inflation was
avoided

this prepared the fall in
current account balance
from 1982 on
(not after 1987)
when $ fell

The structural deficit might have created
inflation in the subsequent expansion
created by consumer borrowing
which was avoided because the negative
~~from~~ current account offset the deficit

this was to a probably large extent
an independent development based on
declining competitiveness in penetration of U.S. markets
by Japanese + Europeans

and supported
by ~~mergers~~
~~...~~
LBO
take-overs

Which saved the U.S from inflation
which the Reagan budget policy otherwise would have created

Certainly that consumer durables played not a large role in imports
helps the decline in foreign balance
but this was itself a structural development!!

(The reversal might be different!)