

[Déjà vu all over again](#)^[1]

Written by [Jan Boucek](#) ^[2] | Monday 14 November 2011



To folks of a certain age, the world is eerily familiar to the 1970s. Those were depressing times, especially for normally upbeat and optimistic types like us aficionados of the Adam Smith Institute.

Consider the broader international economy. Back then, double-digit central bank interest rates were widespread. Now, rates of virtually zero are equally disquieting. Stock markets went nowhere in the 1970s, just as they've done for 12 years now. The IMF bailed out ancient European nations in the 1970s (the UK in 1976 and Greece in 1987) and is at it again now.

America was licking its wounds then after an expensive foreign war (Vietnam) which it fought with no restraint on domestic spending (The Great Society). This time around, it was Iraq and Afghanistan when there was no pretence of budget discipline elsewhere.

In the Middle East, the 1973 Arab-Israeli war and the 1979 Iranian revolution echo now in Gaza and the Arab Spring. A quadrupling of oil prices then looks familiar now when we fill up our tanks. In the Far East, Japan was rocketing to economic superpower status, laying waste to industry after industry in the west, much like China is doing now.

We had terrorists then - the IRA, the Red Brigade and its imitators. Now we have Al-Qaeda and its imitators. Street demonstrations and protests abounded in the 1970s but they seemed more threatening than those in their spiffy tents now around St. Paul's. Global cooling was the big worry back then but we've moved on to global warming now.

In America, the earnest outsider Jimmy Carter was elected President in 1976, not unlike Barack Obama 32 years later. Here in the UK, Jim Callaghan's brief reign in the late 70s was reprised by Gordon Brown ? both unelected prime ministers chucked out of office after stepping up from the Treasury to succeed the more charismatic Harold Wilson and Tony Blair.

So be of stout heart. Eventually, fiscal rectitude, open markets, transparent democracy and faith in the individual pulled us back from one brink and can do so again.

Indeed, those basic principles now go mostly unchallenged, at least in word if not deed. Back in the 1970s, that wasn't the case. The Soviet Union was on the march: meddling in Angola and Nicaragua, invading Afghanistan and bullying in Europe. China's Gang of Four was rampant. Communists in Italy took 34% of the vote in 1976 while the French Communists took 22% in 1973. Remember Militant Tendency?

The ASI was founded in those bleak 1970s to enunciate, defend and advance free market and libertarian

principles. The challenge then was to repel the barbarians at the gate; the challenge now is to defend and refresh the faith.

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