



The Iron Lady and the Man of Steel (or Bronze)

by Doug Stout

Those of you who are young in spirit, but perhaps not in years, probably need no reminder of who held the title of “Iron Lady” of the western democracies in the 1980’s; when the Soviet Union still pointed thousands of nuclear armed missiles at any friends of liberty and democracy. Margaret “Maggie” Thatcher became leader of Great Britain in 1979 and served until 1990. She was the longest serving head of the British government in the 20th century and its first woman Prime Minister. As one writer described it: “She turned around the ruinously ailing British economy of the 1970’s and shook the nation out of a demoralized slough. ‘Thatcherism’ became a label not just for her aggressive ‘conviction’ politics but also a changed spirit of the 1980’s.”¹

She was the good friend and kindred spirit of our own “Man of Steel,” no not Clark Kent, but the mild mannered rancher who brought the “Evil Empire” to its knees, and ushered in the “Reagan Revolution.” They came to power in the same era and together they were a force for free markets and individual liberty the like the world had seldom seen before...and never since. The American – British “special relationship,” intact for at least a century, blossomed anew in their combined faith and belief in the ultimate triumph of a free people and a free-market economy over the dark forces of Soviet communism and repression, and also over the voices of gloom echoing across the European continent.

Ronald Reagan may resemble to some the mythical “man of steel,” but in June he was memorialized in the Rotunda of the United States Capitol in a statue of bronze. He joined 99 other figures from state history, two from every state of the Union, in the hall of honor of American history. Peggy Noonan, his primary speech crafter from his Presidential days was there to capture the moment when Nancy Reagan unveiled the statue. Ms. Noonan points out that of the 100 statues, only Ronald Reagan was sculpted with his face in a smile, which seems appropriate given his optimistic view of America’s destiny.²

If you were not there to experience the late 1970’s, it may be hard to appreciate the change in tone that Ronald Reagan and Maggie Thatcher brought to the world stage. The western economies sagged under the burden of “stagflation,” a term developed to describe the combination of a stagnant economy with double-digit unemployment and rampant inflation. At one point, the inflation reached a rate of over 20% per year in the United States. Senator Mitch McConnell said it well at the unveiling of the statue in June. “In the 1980’s, when the world said America was over, America said not quite, and when they said freedom was yesterday, America said I don’t think so. Reagan stood taller than any statue.”³

So what lesson do the tides of history brought forth by these political giants have to teach us? Perhaps they remind us of the lesson that for every time there is a season. Political tides tend to flow-in and then recede, but only to return another day. Only months ago America’s *Newsweek* magazine was declaring that “We Are All Socialists Now,” with the subheading “In many ways our economy already resembles a European one. As boomers age and spending grows, we will become even more French.”⁴ The irony of that statement is that French President Nicholas Sarkozy grew up as a fierce admirer of the United States and has worked tirelessly to move his country more in the direction of the American free-market system. Even though his personal popularity is not high, his political party picked up 27.7% of the vote in the European Parliamentary elections, up from only 16.6% in the last Parliamentary elections in 2004.⁵

The results across the rest of Europe were even more impressive. The *Time* reporter described the election results that took place from June 4 to June 7 with the following phrase: “Across the European Union’s 27 member states, the story was the same regardless of who the incumbent national government was: voters were shifting rightwards, leaving many social-democratic parties hurting from historic defeats.” The story quotes a newly elected member from the Netherlands as saying: “There is an existential crisis for the socialists. Voters do not want socialism, they want a market system that works.”⁶

I think that sentiment is also true of the United States, and I think *Newsweek* is premature in its expression of our looming socialism. American politicians who think that the obvious and clear message from the electorate

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is that they embrace the slogan of hope and change had better listen carefully to what “hope and change” the voters were endorsing. As support for the ever-increasing expansion of government programs and responsibility continues to erode and concerns begin to rise sharply regarding the unrestrained growth of spending and borrowing by the federal government, the American political left may be in for a rude awakening.

Even more than our European friends, Americans want a market system that works, not one that is replaced by the overwhelming burden of a bureaucratic federal government quilt which smothers any sense of entrepreneurship, innovation, or personal responsibility.

It was not just in France that voters turned their back on the liberal parties. In England, where the politics are arguably closest to our own, the ruling Labour Party, the rough equivalent of our Democratic party in the United States, was demolished, receiving only 15.7% of the vote. It actually finished third in the voting.⁷ The Conservative (Tory) Party, the party which gave the world Maggie Thatcher, finished in first place and is expected to win the national elections by a large margin when the British elections are held later this year.

The conservative parties gained very significant political ground in Italy, Spain, Portugal, and Hungary. The only exception was in Germany where Chancellor Angela Merkel’s conservative coalition lost some ground, but even in that case the votes did not go to the traditional liberal opposition. The primary liberal party, the Social Democrats, recorded their lowest vote total since the reformation of the German political system following World War II.⁸

It should be pointed out that these elections are for seats in the European Parliament. Some observers believe that voters take these elections less seriously than the independent elections in each country for their national leader. However, even with that caveat, the results should be unnerving to those who believe the days of entrepreneurship and free-market economies are over, to be replaced by a “cradle to grave” caretaker government which will protect us from the world. As even the more socialist-leaning European democracies are loudly proclaiming, capitalism is neither dead, nor dying, and its days are not numbered. At a time of relative crisis in the free-market system, when critics were expecting that the people would cry out for the government to rescue them and protect them in a government cocoon, it is not happening.

Perhaps it is because the Europeans watched the cold war from a “front row seat.” Those Hungarians who are turning their back on a socialist approach to the economy suffered through almost 45 years of Soviet domination and experienced firsthand a “managed socialist economy.” They know that when capitalism suffers through a rough economic period, the correct response is patience and persistence, not a return to a system which has been proven repeatedly to stifle the human spirit and the competitive marketplace. A competitive marketplace has increased the standard of living in those countries many, many times over since the end of the Second World War.

Americans want change. They want their economy to “run better.” They want their politicians to work together and to use more common sense to craft reasonable responses to the serious challenges facing our nation. They do not want to scrap our current institutions and completely reinvent our economic system. If that is the course that the Progressives running the Presidential Administration and the Congress choose to take, I think they will see the tide of history roll back against them, sooner rather than later.

The way to prosperity is to create a thriving economy, not to pull down those who will lead a recovery and distribute their assets, making it impossible for them to create new jobs. As President John F. Kennedy said in 1962, “A rising tide lifts all the boats.”⁹

(Endnotes)

¹Sian Ellis, “Margaret Thatcher: Iron Lady,” *HistoryNet.Com*, <http://www.historynet.com/margaret-thatcher-iron-lady.htm>, (August 4, 2009).

²Peggy Noonan, “The Only Statue That is Smiling,” *The Wall Street Journal*, June 5, 2009.

³Ibid.

⁴John Meacham and Evan Thomas, “We Are All Socialists Now,” *Newsweek*, Feb. 16, 2009.

⁵Leo Cendrowicz, “Europe’s Voters Reward the Right,” *Yahoo! News*, June 8, 2009, http://news.yahoo.com/s/time/20090608/wl_time/08599190334800, (June 8, 2009).

⁶Ibid.

⁷Ibid.

⁸Ibid.

⁹President John F. Kennedy, Remarks made in Pueblo, Colorado, August 1962, from the “*JFK Experience with Mike Lowe*,” <http://www.jfkexperience.com/quotes.htm>, (Aug. 4, 2009).

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