

## Chapter 18

### The Age of Denial

It seems somehow fitting that the 1970s would end with the Iranian hostage crisis.<sup>1</sup> On November 4, 1979, students and militants in support of the Iranian revolution took over the US Embassy in Tehran. They held fifty-three Americans captive for 444 days. In the larger scheme of world history, this was a non-event. Any nation's embassy in a hostile country could be taken over by a large mob if the host country didn't provide adequate security. But this crisis became a big issue because it occurred during the 1980 presidential election. A rescue attempt in April, 1980, was aborted due to mechanical problems with several helicopters. Then, eight servicemen were killed and several injured in a refueling accident when the helicopters were preparing to leave.

This appeared to be just another example of America's helplessness. After all, if a third-world country like North Vietnam could defeat the American military, if a band of third-world oil exporters could cripple the US economy, and if a little country like Japan could challenge the United States economically, then why shouldn't a bunch of Iranian students affect an American presidential election? Appropriately enough, the hostages would be released on Inauguration Day, January 20, 1981.

The 1980 election would not only determine who occupied the White House for the next four years; it would decide how Americans would choose to face a changing world. The election pitted incumbent Democrat Jimmy

Carter against the Republican challenger, Ronald Reagan. Both men were former state governors but the resemblance ended there. Carter was a Georgia peanut farmer and a Navy-trained nuclear engineer. Reagan was a former Hollywood actor and television star. Carter was a problem-solver who famously wore a sweater as he turned down the thermostat in the White House to use less heat during the 1970s energy crisis. He came across as serious, even sullen, during this period of time. Reagan was personable, eloquent, and photogenic. He challenged the very notion that Americans, with their great history, should have to suffer due to the actions of lesser nations.

Carter had inherited the country's economic woes from his Republican predecessors, who had also been powerless to overcome the 1973 oil embargo. But Reagan successfully blamed Carter for the nation's problems and was elected president by a wide margin. Ultimately, the economy would recover when market forces lowered the price of oil in the mid-1980s (chapter 17). Lower energy costs would reduce inflation and allow lower interest rates. This made more money available for non-energy consumption which in turn increased the nation's productive output and reduced unemployment.

In his inaugural address, Ronald Reagan had declared that "government was not the solution, government was the problem." But the problems of the 1970s had nothing to do with government. Those problems, which included the economic downturn at the beginning of the Reagan administration, were not caused by government regulations, government inefficiency, taxation levels, or by government in any way.