How real and how important is America's decline?

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The debate about America's decline is as old as the country itself. George Washington, John Quincy Adams and Thomas Jefferson were all afraid that if the new republic entered 'entangling alliances' – in the words of Jefferson – or went 'abroad in search of monsters to destroy' – to quote Adams, it would lose its identity and its exemplary character. At several junctures (such as during the American Civil War of 1861 to 1865, or the Great Depression of the 1930s), the unity of the country, or its economic or political system, seemed to have been compromised. During and since the Cold War, the fear of losing power to the Soviet Union, then Japan, and now China, has been a source of worry and sometimes of panic. In each case, this fear has proven to be ill founded or has provoked a vigorous 'come-back'.

Two distinctions are essential in defining a decline. The first is between relative decline (in relation to the emergence or progress of competitors) and absolute decline (in relation to America's own history). The second distinction is between objective decline, which can be measured against various indicators, and subjective decline, which relates to the optimism or confidence with which Americans consider their society and its future. Subjective decline is also objectively important, however, since the self-confidence and 'can-do' attitude of Americans has been one of their major strengths, and the source of some of their worst misadventures.

Relative decline

Relative decline is the most obvious and inevitable dimension of America's waning fortunes. There were two moments when the US seemed to have no real competitors: economically, after the Second World War, before Europe and Japan started their recoveries; and militarily, after the Cold War, and before spectacular growth made China an economic and, to some extent, a military and political contender. But in truth, the world was never truly under US control. Even before the US had to accept the stalemate in the Korean War, and admit defeat in Vietnam, it could neither get rid of Castro (despite a forty-year embargo) nor could it solve the Arab-Israeli conflict.

Nevertheless, US superiority in terms of technological innovation and its resource base, the size of its military budget and its capacity to make its influence felt all over the world, is spectacular. It is still the richest country in the world and the only developed country that has a dynamic demography. The question is whether its military and economic resources will ever again produce the political results of the early 1990s.

Economically, the US has become the world's heaviest borrower, and its creditors include its biggest rival, China. Asia is clearly a dynamic, growing and self-confident (although divided) continent, forcing the US to manoeuvre between rival power blocs.

But, beyond the classical cluster of military and economic force, qualitative new features of the international system are affecting the status quo. There have been revolutions in the means of communication and the means of destruction. Moreover, the process of globalisation, in which the US has perhaps been the main actor and beneficiary, has decreased the power of big states over small ones, and of states in general over non-state actors, whether these be transnational networks (financial, criminal or religious), sub-national minorities or just small groups of individuals. What influential foreign affairs analyst, Zbigniew Brzezinski, called 'global political awakening' in his book *Second Chance: Three Presidents and the Crisis of American Superpower* **(1)**, has made the world much more difficult to control. By increasing both interdependence and, in reaction, resistance based on identity and resentment, it has unleashed forces through which unprecedented damage can be inflicted. On the other hand, the current economic crisis calls into question the effectiveness and legitimacy of capitalism, and thus

challenges the 'soft power' of the world's leading capitalist nation even more than that of other capitalist countries.

Absolute decline?

These global factors interact with some specific features of American history, culture, institutions and political behaviour and they have, according to many critics, produced problems and contradictions that justify a verdict of paralysis or decline for the US. Perhaps the best known of these is Paul Kennedy's book, *The Rise and Fall of the Great Powers* **(2)**. His general thesis, based on European history and an analysis of classical theorists such as Montesquieu, is that great powers perish by bankruptcy due to over-extension or overstretch. He applies this theory to the US, pointing out that expeditions in far-away lands such as Vietnam, and the profligacy of the arms race, have coincided with a decline in important domestic arenas including education, health and other public services such as transportation, etc.

First published in 1987, Kennedy's contention seemed to describe the fall of the Soviet Union rather than that of the American empire. While the Soviet Union nearly went bankrupt as a result of its military expenditure, and desperately needed the Cold War to end and to avoid an unsustainable arms race in space, the US was then still ready to spend huge sums on its 'Star Wars' programme, the Strategic Defence Initiative. The Vietnam War did have negative economic effects (in terms of inflation and the refusal of some citizens to pay taxes, a phenomenon that was repeated, in a way, during the war with Iraq). But since Kennedy's book was published, America's successive foreign interventions have been harmful to the US primarily in terms of the numbers of casualties suffered, the militarisation of foreign policy, an increase in national disunity and humiliation, and of a loss of prestige and of trust abroad. Their percentage of the military budget remained in the single digit range **(3)**. And with the current crisis, America's deficit is so huge that its defence budget can hardly remain untouched, and expenditure cuts are likely to cause fierce political battles.

In fact, as far back as 1958, American economist John Kenneth Galbraith famously denounced the contrast between 'private wealth and public poverty' in America **(4)**. In many ways, America's real problem is the gap between the public and the private spheres. Traditionally, democratic administrations have spent money on social issues, created a financial deficit and Republicans have then re-established financial balance through policies of austerity. But under Ronald Reagan, the US embarked on a particular brand of Keynesianism through a huge increase in military spending, thus creating a massive deficit, and the Democrats, under Clinton, re-established a balanced budget. Neither Reagan nor Clinton, or indeed George W Bush, questioned the primacy of the private consumer or asked for collective belt-tightening in the name of either social or patriotic solidarity. Americans are arguably among the most patriotic, even nationalistic, and religious people in the world, but they are 'children of plenty'; hostile to the idea of redistribution, suspicious of the state and reluctant to be taxed or drafted. (Since the Vietnam experience, no important political voice has ever suggested a return to the draft, so the gap between America's ambitious, long-distance military missions and the limited number of troops it can muster has been very imperfectly filled by technology, – specifically unmanned vehicles – and mercenaries.)

The result has been aptly characterised by British historian, Niall Ferguson. Having first called on the US to fulfil and amplify the role of the British empire, and to bring order on a global scale in his book, *Empire* **(5)**, Ferguson soon afterwards declared in *Colossus* **(6)** that the US was unfit for this task. He argued that three deficits prevent the US from playing this role: a financial deficit, forcing it to borrow from its rivals; a human-resource

deficit, including its over-extended and overworked army; and an attention deficit, with foreign crises replacing one another in quick succession, and an impatient public lacking any real staying power.

These three deficits apply in various degrees to all liberal democracies today. And they make the building of a 'benevolent empire' (as per the neoconservative dream) impossible. But they do not necessarily prevent the US from remaining the most important and most centrally placed superpower in terms of global networks, if it uses its exceptional resources in an active but moderate, selective and discriminating way. In other words, the US must renounce the achievement of utopian dreams such as 'nation building' and 'state building' via military occupation of distant lands and alien cultures, and adopt a more flexible and indirect approach, in which arms and money are used more modestly, sparingly, and defensively to support a policy based on diplomacy, dialogue and co-operation.

This seems to have been Barak Obama's perception and intention, and this is what middle-of-the-road experts are recommending today, whatever their past preferences may have been. Professor of American foreign policy, Michael Mandelbaum who published *The Case for Goliath: How America Acts as the World's Government in the 21st Century* in 2006, argues in his 2010 book, *The Frugal Superpower: Leadership in a Cash-Strapped Era*, that 15 September 2008 (the fall of US bank, Lehman Brothers) marked a historic watershed, after which neither America nor any other power can hope to fulfil this function **(7)**. Similarly, Altman and Haass announced a new age of austerity due to domestic profligacy arguing that this will force the US to adopt a much more modest foreign policy **(8)**. Writing in *Foreign Affairs*, Leslie Gelb argues that the organising principle of US foreign policy should be to use power to solve common problems; that the US can and should remain 'the balancer of last resort', but that it can no longer impose its will, least of all through military force **(9)**. This raises the issue of whether the constraints of the current international environment, and those of America's traditions, institutions and aspirations, are compatible with such a moderate and consensual policy.

Domestic strengths, stresses and strains

In a remarkable little book, *The Limits of Power* **(10)**, military historian Andrew Bacevich establishes a link between rampant consumerism and the nationalism (or imperialism) of the Reagan era. He sees in both the same 'irrational exuberance', the same faith in unlimited aggrandisement and enjoyment, the same refusal of limits, modesty and restraint, not to mention sacrifice and austerity; in short, they share the same hubris. Bacevich calls for a return to a sense of limits and traditional civic virtues. He recognises however, that the imperial optimism and triumphalism of the Reagan and George W Bush eras have roots deep in American tradition, and that much of America's achievement and attractiveness lies in its optimism and its conviction that it has a special mission and destiny – characteristics that have recently led it astray.

An America that sees itself as an ordinary country would be both less of a danger and less of a resource in the world. But America's absolute belief in private enrichment, mistrust of foreign governments, and its sense of having a global mission, explain the often acknowledged gaps between American foreign policy, its military interventions, and the means it is willing to devote to these ends. The exceptional strength of the US, and the fact that it was spared occupation and ruin during two world wars, has enabled Americans to entertain the illusion of victory for much longer than the European powers. Europeans are also more aware of the difficulties of occupying and stabilising foreign lands in the longer term having been forced to abandon their colonial conquests.

Another paradox, which is both a strength and a weakness, is that the US is in some ways the most innovative and forward-looking and in other ways the most traditionalist and backward looking of modern societies. Still in the vanguard of scientific and technological progress, American universities and laboratories are the best. They attract students and scientists from all over the world, which is one key to their dynamism. On the other hand, Americans are exceptionally conservative. Government institutions constantly refer to the American Constitution and the intentions and examples of the country's founders. Yet these institutions were established primarily to limit the power of government. They are therefore particularly unsuited to the conduct of foreign policy by a superpower in modern conditions, and they have been subject to increasing manipulation by private interests. The result is that America's government bodies are increasingly dysfunctional and unrepresentative. This is particularly true of the senate, where a few small states hold disproportionate power, and which is paralysed more often than not. As commentator, James Fallows, has put it: 'That is the American tragedy: a vital and self-renewing culture that attracts the world's talent, and a governing system that looks like a joke.' **(11)**

The American state can function, particularly in terms of foreign policy, only with a great degree of bipartisanship by individuals, and by joint elaboration and sponsorship of legislation across the party divide (such as John McCain and Teddy Kennedy's bill on the financing of electoral campaigns), or by compromise or unanimity on questions of national security. Unanimity has become increasingly difficult to achieve however, with the polarisation of the two parties and the declining number of moderates on both sides.

While the extent of the polarisation is probably stronger within political elites than in the general population, it is an increasing trend in American culture and society, partly due to globalisation. As one of the most insightful and prophetic analysts of contemporary American society, Anatol Lieven, put it, there is an opposition between the 'American creed' of the optimistic, forward-looking and universalistic elite, which believes in technological progress and in America's mission of extending its values to the whole world, and the populist impulse, which has its roots in 'an aggrieved, embittered and defensive White America', which lives in the nostalgia of the rural world of two centuries ago. **(12)**

Both groups are nationalistic, but in opposite ways and globalisation has increased their differences and their mutual incomprehension. By provoking the decline of the industrial middle classes through the use of cheap (especially Asian) labour, globalisation has rallied the blue-collar workers of middle America into the resentful populist camp. In addition, corporate financing of organisations such as the Tea Party movement, (with the intention of redirecting the resentment provoked by increasing inequalities away from the rich, or the capitalist system, and onto cosmopolitan elites and immigrants instead) is polarising the country. This risks endangering the openness of American society to the input of foreign individuals and ideas.

The interplay of these factors makes, at least for the time being, for a combination of institutional paralysis, social tension and political volatility. It also makes it very difficult to predict the future of American foreign policy towards the world in general, and towards the Arab world in particular. This unpredictability negatively affects the trust that America's friends and allies can put in its help and protection. But, it may also, to some extent, provoke more prudence in its enemies.

The impact of the right wing (besides their unanimous desire to block Obama as much as they can) can go in two directions. They may push for a more isolationist stance, and it is noteworthy that foreign policy played no direct role in the 2010 mid-term election, and

that many activists in the Tea Party movement are inclined towards a 'fortress America' attitude. Alternatively, they may push for a more aggressive attitude towards Iran, the Taliban, Pakistan, and possibly towards the Muslim or Arab world in general, in reaction to al-Qaida.

Support for Israel is declining overall, but is stronger among Republicans (particularly Christian fundamentalists) than among Democrats. Obama, in spite of his serious and inevitable difficulties with Congress, retains the initiative in foreign policy, but his scope for action is limited. As in the last two elections, factors beyond the control of the American government may well be decisive. For example: the end, or the worsening, of the economic crisis and unemployment; a repetition of 9/11 or a reduction in terrorist activity; the end, or the continuation, of the wars in Iraq and Afghanistan; a war with a menacing, nuclear Teheran, or a change in Iran's behaviour. Any one of these scenarios could provoke either a calming of anxieties or a search for scapegoats and a knee-jerk reaction against foreign enemies or immigrants.

It is to be hoped, however, that while neither a stable multilateral order nor American supremacy are likely in future, a powerful, open and relatively stable America will emerge from these tribulations, having finally learned the lessons of its past mistakes. After all, to paraphrase Churchill, the Americans usually end up doing the right thing – after they have tried everything else.

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Notes

(1) Published in 2007 by Basic Books, New York.
(2) Published in 1987 by Random House, New York.
(3) See RG Altman & RN Haass (2010). 'American profligacy and American power', Foreign Affairs Magazine. November–December¬. http://www.foreignaffairs.com.
(4) Galbraith's book, The Affluent Society, was first published in New York in 1958.
(5) Empire was published in 2003 by Penguin, London.
(6) Colossus was published in 2004 by Penguin, London. See, especially, Chapter 4, 'Closing the door'.
(7) Both of Mandelbaum's books were published in New York by PublicAffairs.
(8) RG Altman & RN Haass (2010). 'American profligacy and American power', Foreign Affairs Magazine. November–December¬. http://www.foreignaffairs.com.
(9) 'GDP now matters more than force', Foreign Affairs Magazine, November–December 2010. http://www.foreignaffairs.com.
(10) Published in 2010 by Henry Holt & Co., New York.
(11) 'How America can rise again.' The Atlantic, January–February 2010.
(12) A Lieven (2004). America Right or Wrong: An Anatomy of American Nationalism. New York: Oxford University Press.