

STUDIES

Understanding America's Contested Primacy

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In November 2008, the National Intelligence Council released *Global Trends 2025* which argued that "the international system — as constructed following the Second World War — will be almost unrecognizable by 2025 owing to the rise of emerging powers, a globalizing economy, a historic transfer of relative wealth and economic power from West to East, and the growing influence of non-state actors. By 2025 the international system will be a global multipolar one with gaps in national power continuing to narrow between developed and developing countries" [emphasis in original]." This conclusion represented a striking departure from the NIC's conclusion four years earlier in *Mapping the Global Future 2020* that unipolarity was likely to remain a persistent condition of the international system.

Between the two reports America's zeitgeist had clearly shifted under the impact of persistent difficulty in the counterinsurgency wars in Iraq and Afghanistan and increased questioning of United States global leadership (at home and abroad), the seemingly inexorable rise of the newly emerging economies (suggestively labeled as the BRICs by Goldman Sachs analysts), and the global economic downturn and recession in the United States. The overall impact was the creation of a new conventional wisdom that foresees continued decline of the United States, an end to the unipolar world order that marked the post-Cold War world and a potential departure from the pursuit of US primacy that marked the foreign policies of the three presidential administrations that followed the end of the Cold War.

The debate over unipolarity and continued US primacy is not merely an academic debate. Perceptions of US power will guide both American policymakers and other nations as they consider their policy options. Primacy has underpinned US grand strategy since the end of the Cold War because no other nation was able to provide the collective public goods that have upheld the security of the international system and enabled a period of dramatically increased global economic activity and prosperity. Both the United States and the global system have benefitted from that circumstance.

The arguments for US decline are not new but before they harden into an unchallenged orthodoxy it would be good to carefully examine many of the key assumptions that undergird the emerging conventional wisdom. Will the undeniable relative decline of the United States, in fact, lead to the end of unipolarity? Do the BRIC countries really represent a bloc? What would multipolarity look like? How does one measure national power anyhow, and how can one measure the change in the power distribution globally? Is the rise of global competitors inevitable? What are some of the weaknesses that might hamper the would-be competitors from staying on their current favorable economic and political trajectory? Does the United States possess some underappreciated strengths that might serve as the basis for continued primacy in the international system and, if so, what steps would a prudent government take to extend that primacy into the future?

The history of straight-line projections of economic growth and the rise of challengers to the dominance of the United States has not been kind to those who have previously predicted US decline. It is not necessarily the case that the United States will be caught between the end of the "unipolar moment" of post-Cold War predominance and a global multipolar world. The emerging international environment is likely to be different than either of the futures forecast by the NIC in Mapping the Global Future in 2004 or Global Trends 2025 in 2008. It would seem more likely that the relative decline of American power will still leave the United States as the most powerful actor in the international system. But the economic rise of other nations and the spread of nuclear weapons in some key regions are likely to confront the US with difficult new challenges.

The revived notion of America's decline has once again brought to the fore a question about the purposes of United States power and the value of US international primacy. Seeking to maintain America's advantage as the prime player in the international system imposes costs on the US budget and taxpayer. It is certainly fair to ask what the United States gets from exerting the effort to remain number one. It is also worth considering what the world would look like if the United States was just one power among many, and how such perceptions might affect the strategic and policy choices national security decision-makers will face over the next twenty-odd years.

Primacy both allows the state to advance its own specific policy objectives and gives it greater freedom of action in the pursuit of those ends. Throughout most of the twentieth century American presidents have considered it to be in the US interest to seek a "liberal world order" comprised of an international economic system characterized by openness, free trade and free flows of investment, and an international political arrangement characterized by a growing number of liberal democratic states. The theory behind the continued adherence to a strategy of maintaining primacy has been that only the security provided by a strong power or group of powers can underpin the liberal economic and political order that is conducive to economic growth, representative government and international peace and prosperity. Since the end of the Cold War this view has had consistent bipartisan support.

Although the point remains controversial it seems apparent that America, while clearly creating some resentments with its policies, continues to be seen (particularly by governments) as relatively benign in its interactions with other powers. America shares a fundamental view of the world rooted in the neo-liberal orthodoxy of free markets, open societies, and democratic institutions that emerged as a consensus prescription for peace and prosperity after the collapse of communism. This "transnational liberalism" inclines national elites to see a broad confluence of interest with the United States and reduces their tendency to try and counterbalance American power. As the guarantor of the international world economy and a provider of security and stability because of its alliance system, the United States provides global public goods which others cannot provide.

Accepting the new conventional wisdom of decline and an end of US primacy could well lead to an alteration of the strategic underpinnings of American global policy and could become a self-fulfilling prophecy.

A rigorous assessment should consider the strengths and weaknesses of the United States' putative competitors on the global scene as well as the enduring strengths and sources of resilience that have enabled America to extend its primacy and maintain a stabilizing, global hegemonic role against all expectations. There is a need for a framework to inform how US policymakers might think about the problem of developing strategies and policies to extend that role yet again, since it is at least an arguable proposition that rather than a multipolar world, the global system, after the current Great Recession passes, will continue to be unipolar but with some additional challenges for US leadership.

The 2008 NIC report reflected a wave of "declinism" — the belief that American power is on the wane, that other powers are rising, particularly the so-called BRICs (Brazil, Russia, India and China) and that the United States needs to adjust its international ambitions and eschew continued primacy in favor of accommodating the rising powers in the interest of greater global governance. Ideas about American decline can cut two ways. They can predispose policymakers to pursue policies that actually accelerate decline or they can spark leaders to pursue courses of action that renew American economic vitality in order to reverse decline.

Understanding that declinism is a persuasion can help one assess the arguments that are adduced to support the proposition that the United States is in decline. The debate over primacy is not a partisan issue. Both Republicans and Democrats have been divided over the issue of whether and how to maintain America's primacy in the international system. As the country contends with a rising China, the increased economic clout of the other so-called BRIC countries, and the prospect of a multipolar world these debates will undoubtedly continue. One factor that will shape the debate is the willingness of the American people to support the policy and pay the attendant costs of continued predominance. Some believe that the American public, exhausted by eight years of military exertion in Iraq and Afghanistan, and focused by the Great Recession on job creation and health care, may be willing to accommodate US policy to other rising powers and forego a policy of global primacy. There is no doubt that these factors have shaped the recent public perception of America's role in the world. Poll data has long shown that, when asked for their view, Americans will express a preference for acting in concert with other nations in the international arena. There has also, however, been consistent public support for US leadership in global affairs. It seems likely that when faced with choices about decline Americans are likely to opt for continued leadership. That certainly is the lesson of the post-Cold War period.

An anti-declinst literature also emerged in the late 1980s and is now reappearing in the wake of the Global Trends 2025 report. The anti-declinsts undoubtedly feel strengthened in their convictions because the declinists have been consistently wrong in the past. But simply because the declinists have heretofore been wrong does not mean that they are not correct in their prognosis this time. Their arguments need to be taken seriously. America's ability to adapt should not be underestimated, but America's enduring primacy and the length of the unipolar moment are clearly going to be a matter of intensified debate in the next few years. A proper evaluation will depend on how we attempt to measure the power of those countries that might become additional poles in a multipolar world, and how we evaluate America's enduring strength and capacity for revival.

American decline and the longevity of a unipolar world order will not be determined purely by economic gains or losses. The future shape of the international system will depend on broader measures of national power than the percentage of global production that a given state controls. Measuring national power, however, is notoriously difficult. In an unprecedented situation of unipolarity, with little historical precedent to guide analysts, the measurement of relative power shifts is perhaps harder still.

The main metrics tend to include GDP, population, defense spending, and then a variety of other factors. There are differences among the various methods as to how one might quantify or otherwise measure many of the factors. But since all agree that these kinds of measurements are inherently subjective it is not surprising that slightly different factors and different weights to different factors can lead to differing results. It is not clear how much these models can account for discontinuities and dynamic changes as opposed to straight-line projections and relative shifts in power. Nor is it clear that the models can really measure the all-important question of how world leaders perceive shifts in relative national strength and power. The key factor would seem to be getting at the ability of countries to convert resources into usable power combining both hard power and soft power.

At the end of the day, at least as important as the objective measures of national power are the subjective assessments of international statesmen and military leaders about the international distribution of power. Those judgments are inevitably affected by a range of cultural, psychological, bureaucratic and political factors. The debate over American decline and whether or not we are entering a multipolar, as opposed to unipolar, world in and of itself will inevitably have an impact on those subjective judgments.

Our assessment of putative powers, however, will cover the traditional contenders, Europe and Japan, and include the so-called BRICs as well.

Europe

Many of the declinist predictions of the late 1990s, as well as the most recent wave, have taken as a point of departure that a united Europe will comprise a key component of a prospective multipolar world. Even before the economic crisis began to take the wind out of European sails, the EU was not effectively translating its economic potential into power on the international stage. The persistence of national differences (and sensitivities) on foreign affairs have contributed to the failure to develop a "common strategic culture."

Continued dependence on the United States security guarantee has allowed Europeans to spend less for their own security. These considerations have forced even Euro-triumphalists (who otherwise believe that America is in decline, the United States must adjust its policies, and Europe must become part of the "post-American world") to admit that Europe maintains a set of shared interests with the US, relies on US security guarantees and a series of "special relationships" to maintain stability.

Europe's biggest challenge is demographic. It is a challenge that has the potential to exacerbate both economic and social problems in Europe and renders even more unlikely the notion that Europe will increase its military power or be willing to wield it outside of Europe. Even if Europe were able to surmount these demographic trends, the political challenges of deeper and more extensive European integration remain. As Global Trends 2025 suggests the EU could well become a "hobbled giant distracted by internal bickering and competing national agendas, and less able to translate its economic clout into global influence."

Japan

In the 1970s and 1980s it was widely assumed that Japan would join Europe in becoming one of the new powers in an emerging multipolar world. Rather than scaling the heights of global economic dominance, Japan suddenly entered a decade of deep recession, economic stagnation, income loss, high levels of unemployment and political drift as its "asset bubble" burst. The failure to systematically attack the weaknesses in the banking sector exposed by the financial crisis, an overbearing bureaucracy, the intrinsic difficulty of government picking business winners and losers, a highly regulated economy and inflexible business techniques appear to have been the main causes of Japan's woes. Today, Japan barely figures in the discussions of an emerging, multipolar world for two reasons: 1) the "lost decade" of stagnation, compounded by the Great Recession; and 2) Japan's daunting demographics. It faces a wave of aging that is not only larger than that of any other developed country, but that is also approaching much faster.

Brazil

After many years of anticipation it may well be that Brazil is finally "getting it together." With a growth rate of five percent and additional oil resources coming on line, Brazil has no domestic security issues or hostile neighbors and is hospitable to FDI. Nonetheless, Brazil still has longstanding economic and social limitations. On the regional level, Brazil has already played a leading role in managing hemispheric security issues like the crises in Haiti and more recently in Honduras; however, as the NIC suggests a more global role would appear to be a bit of a stretch, particularly given the economic vulnerabilities mentioned above. If anything, Brazil looks like a prime candidate for a stronger relationship with the United States in order to serve as a model-example of successful integration into the global economy and an alternative to the populist, anti-globalization agenda promoted by Venezuela's Hugo Chavez, as well as to help manage security problems in the hemisphere (much as India may emerge as a US partner in Asia).

Russia

The Global Trends 2025 prognosis for Russia's future is of two minds. "Russia has the potential to be richer, more powerful, and more self-assured in 2025 if it invests in human capital, expands and diversifies its economy, and integrates with global markets." Whether the more benign Russia mooted by Global Trends 2025 emerges will, to a large degree, depend on whether Russia under President Medvedev returns to the agenda of structural reform that was largely abandoned under Putin's presidency. Some believe this may be happening and see incipient policy differences between Prime Minister Putin and President Medvedev. Others are not so sure. Even if Medvedev were to aggressively promote the reform agenda, however, he would find Russia's catastrophic demographic situation a powerful limitation. Given the large energy and mineral resources present in the Far East it is hard to imagine that the demographic imbalance along the border will not give rise to serious political tensions between the Russian Federation and China.

Nicholas Eberstadt has described Russia's contemporary demographic disaster as only the most recent episode of population decline in the past one hundred years, albeit the first not resulting from revolution, forced collectivization or war but rather the peaceful collapse of the Soviet Union. Global Trends 2025 acknowledges Russia's demographic predicaments in more muted terms, noting blandly that "Russia's fertility and mortality problems are likely to persist through 2025, Russia's economy ... will have to support the large proportion of dependents." The demographic and health limits on military manpower are likely to compel Russia into a long-term continued reliance on nuclear weapons as the only conceivable counter-balance to others' military power. Its general-purpose conventional forces, while posing a limited threat to former parts of the Soviet empire, like Ukraine or Georgia, will be a decreasing concern at the global level.

India

In 2004 the NIC's Mapping the Global Future report identified India as a rising power along with China. At current rates of growth, India will surpass China, sometime after 2025, as the country with the world's largest population. India has been averaging about 5 percent growth per year for the last decade. Forecasts for future growth are bright. Economic success in India is also generating increased military capability. India, however, is also beset by an array of demographic, economic, social, political and security problems that are daunting to say the least. Even if the most bullish projections for India do not come to pass it is clearly a country on an upward trajectory. Given its historical association with the Soviet Union during the Cold War and its "non-aligned movement" outlook on international institutions one might see India as a likely candidate to balance or seek to counteract US power. Nevertheless, that has not been the case. Both countries share democratic values and, at least among the elite in India, the English language. India and the United States also share the same strategic preoccupations: both are worried about the activities of Islamist extremists and the rise of China. The development of a US-Indian strategic partnership will not come easily or quickly. Like Brazil, India has naturally identified with the developing world in the North-South disputes that persisted through the Cold War and beyond. Indian negotiating behavior in international fora has been difficult and obstructive. Because of its colonial background, national sovereignty issues are particularly sensitive. Exactly what kind of "great power" India will become is still a matter of some debate in India. The nature of Indian identity has been contested for some time and it would only stand to reason that the uncertainties about what India is would be reflected in any discussion of what role it wants to play as it increases its weight in world affairs.

China

The rise of China has attracted more attention than any of the other of the so-called BRICs. According to the Global Trends 2025 report, "if current trends persist, by 2025 China will have the world's second-largest economy and will be a leading military power." The global recession has barely put a dent in China's ascent. Chinese officials have been at pains to assure one and all that they have no aspirations of hegemony or dominion over other countries. This "charm offensive," beginning in Southeast Asia but rapidly expanding to Africa and Latin America, has demonstrated China's ability to wield soft power. But China's intentions and aims may become more expansive as its power increases. The strong hold of the state on the economy and the patronage relationships that link the party and state to major industries have generated massive waste and inefficiencies in the economy. Rising income inequality and arbitrary abuses of authority have created a combustible mix of socioeconomic tension and unrest. Rising levels of social protest have become an everyday occurrence in China. China's demography, however, may present the country's leaders with the most intractable issues of all. In the next decade-and-a-half China's population will stop growing and begin to decline. The proportion of elderly to working-age individuals will also shift, giving China a so-called "4-2-1" population structure in which one child will have to support two parents and four grandparents. China's approaching demographic shifts will also intersect with a growing gender imbalance in the younger age cohorts of its population. The potential for a perfect storm of economic, demographic, and social unrest has led some observers to conjecture that China, far from being a rising power, is actually on the verge of collapse. For the moment, however, the focus remains on a strong China, in particular because its economic advance has enabled it to amass significant and growing military capabilities. Even if China experiences more obstacles to growth than described in Global Trends 2025, it is clear that China will continue to be assertive, but it is hard to know exactly what form that new assertiveness will take. Some suggest that China's increasing economic and military strength will drive a contest for power in the region and a long-term strategic competition with the United States. Others believe China's increased interaction with multilateral institutions will help it integrate peacefully into the international system as a responsible stakeholder. Much will depend on the ideas that China's leadership develops about its global role. The increasing discussion of the "decline" of the United States, and the West more broadly, could

have an impact on the attitudes of Chinese leaders and the methods they will employ in accomplishing China's international objectives.

All the countries we have considered have strengths and the potential to increase their power, but all of them are also certain to face serious problems. The period of unipolarity has been based on a singular fact: the United States is the first leading state in modern international history with decisive preponderance in all the underlying components of power: economic, military, technological and geopolitical. With the possible exception of Brazil, all the other powers face serious internal and external security challenges. Japan, with its economic and demographic challenges, must deal with a de facto nuclear-armed, failing state (the DPRK) nearby and must also cast an uneasy glance at a rising China. India has domestic violence, insurgencies in bordering countries (Nepal and Bangladesh) and a persistent security dilemma with respect to China. The demographic challenges will be particularly acute for Europe, Japan, and Russia in the areas of military manpower and economic growth. The results will either diminish overall military strength or, in the case of Russia, impose a greater reliance on nuclear weapons.

With all of the problems and uncertainties that the emerging economies face and the enormous challenges that bedevil the developed world in Europe and Japan, only one thing seems certain: events will drive international economics and politics in directions that no one now anticipates and the certainties about rising and falling powers are likely to be knocked askew by a fickle and unpredictable fate.

As global wealth and power flow to Asia, even if it does not occur as quickly and completely as some boosters maintain, America's margin of superiority will decline to some degree. Whether the international system moves toward a multipolar world, as forecast by Global Trends 2025, however, will depend to a large degree on how people perceive the relative shifts in power and how they choose to act on those perceptions.

America's geographic position is fixed and has been a persistent source of strength.

As Samuel Huntington has noted, US power "flows from its structural position in world politics...geographically distant from most major areas of world conflict" as well as from "being involved in a historically uniquely diversified network of alliances." Natural resources are another area of enduring advantage for the United States. America's farmers and producers have never been more efficient or productive than they are today. Agriculture has been "a bastion of American competitiveness." Energy resources are another advantage. The media have lavished a great deal of attention on the United States' dependency on imported oil, a true strategic liability, but they have neglected coal and gas resources. In fact, the United States (combined with Canada) trails only the Middle East in the wealth of its energy resources. Industrial capacity is an area where the decline of the US manufacturing sector has been seen as a surrogate for broader US decline. The United States' transition to a post-industrial, information-technology-oriented and heavily financialized economy was an important part of avoiding the predictions of "imperial overstretch" in the 1990s. In the wake of the Great Recession the post-industrial transition is seen as perhaps an Achilles' heel of the US economy. These views probably underestimate a few factors that should help the United States navigate the current transition from the first unipolar era to whatever follows it.

Openness to innovation can play an important role in extending the United States' leading role in the world. Some scholars believe that innovation is the key to countries emerging as system leaders in sectors that power long waves of economic activity and growth. Failure to maintain system leadership in these sectors is a key cause of decline. Another factor that may propel the United States to a more rapid recovery is the so-called "American creed," which includes a very heavy dose of hostility to the role of the state in the economy. A larger private sector may well continue to provide entrepreneurs and innovators the scope to prolong America's leading sector primacy in the international economy.

An additional, and extremely important, long-term factor underpinning likely continued US global economic leadership is demographics. The US fertility rates are among the highest in the developed world and are virtually at replacement. With a growing population that will be more youthful than other developed countries (or China) the United States would appear to be in a favorable position. One could also add to the long list of US advantages the political and social stability that has made it the safe haven for global investors. None of these advantages, however, including the United States' military power, mean that the United States is destined to remain the preponderant power or that unipolarity will continue to characterize the international system indefinitely. Bad policy decisions in a number of areas could negate or squander US advantages. In addition the United States faces many of its own challenges. Despite its demographic health the United States will have to meet the unfunded pension liabilities represented by the aging of the baby boom generation. The nation's standing has also suffered from the mismanagement of the wars in Iraq and Afghanistan. Without a concerted effort by the United States, the international system could move in the direction of nonpolarity or apolarity with no nation clearly playing a leading role in trying to organize the international system. The result would be a vacuum of leadership unable to manage the plethora of contemporary problems besetting the world like terrorism, nuclear proliferation, ethnic and sectarian wars, humanitarian disasters, crime, narcotics trafficking, pandemic disease and global climate change to name just a few.

If the United States accepts the diagnosis of "decline" and seeks to accommodate itself to rising powers, it will likely hasten the timing of that decline and the passing of American primacy. If US leaders choose to continue the path that earlier generations of leaders have blazed in seeking to preserve the US position as the preponderant power, they will have to build on the advantages described above to bolster and extend US predominance.

One measure of the relative standing of nations is to consider the question: "Whose problems would you rather have?" After the survey above, a reasonable person might conclude that, as great as the challenges are for the United States, the other potential powers face even more difficult and intractable problems.

Notwithstanding the prediction of Global Trends 2025 that the world is moving toward multipolarity, it seems likely that US predominance could continue in a unipolar system, albeit one where US hegemony is less clear than it was in the 1990s. In this iteration, however, American primacy will be more constrained by US domestic and international economic limitations and more contested by regional powers. China will pose the biggest challenge in Asia, but potential new nuclear powers like Iran and North Korea will also create difficult questions about US extended deterrence in Northeast Asia and Southwest Asia. Other troublesome challengers may arise, including Venezuela in the Western Hemisphere (particularly if it aligns with a nuclear-armed Iran).

The overwhelming focus on the BRICs in the declinist literature has tended to divert attention from the fact that the proliferation of nuclear weapons has the greatest potential to pose an early challenge to continued US primacy. As Charles Krauthammer has written, "decline is a choice," and can be avoided if the United States government takes some basic steps. The first is to get America's house in order. Second, the United States will need to meet the reputational challenges it faces head on. The United States must be prepared to continue to defend the commons. Perhaps most important, the decline in the margin of US dominance and the emergence of challengers at the regional level will make US alliances and alliance management central concerns for US policymakers in a way that they have not been since the end of the Cold War.

Beyond improvements in the management of our traditional treaty-based and informal alliances, the United States needs to look seriously at the shape of its alliance portfolio with an eye to developing relationships with countries that might contribute greater capability and utility than the traditional allies. We have seen that India is perhaps the single most important candidate for partnership or alliance with the United States. In the Western Hemisphere, Brazil may also be able to play a valuable regional stabilizing role in collaboration with the United States. The possibility of avoiding multipolarity or non-polarity clearly exists. It requires resolve to maintain the United States' role as the "indispensable nation" and a strategy for doing so. At the dawn of the first unipolar era there was an effort at the Pentagon to think explicitly about a strategy for extending US predominance in the international system. Although the document that resulted, the 1992 Defense Planning Guidance, became the subject of much misplaced criticism and controversy, its main outline became the de facto bipartisan strategy that underpinned the unipolar "moment" that, against most expectations, stretched into an era. If the United States is going to successfully manage the challenges of contested primacy, the moment to begin the debate on the strategy that will carry US power forward in the twenty-first century is now.