The waning of Pax Americana?
by Carla Norrlof

A boy wears a “Make America Great Again” hat at the Gettysburg National Military Park on July 1, 2017, in Gettysburg, PA. The U.S. Park Service issued protest permits for three groups, including Sons of Confederate Veterans and Real 3% Risen, on the 154th anniversary of the battle. (MARK MAKELA/GETTY IMAGES)

Until now, every U.S. president since the end of World War II (WWII) supported a liberal international order (LIO), promoting stable and peaceful interstate relations, open economic relations and individual freedoms, in a rules-based system backed by U.S. military power. Have we reached a turning point and the end of Pax Americana? Scholars have debated this question for decades, prompted in the 1970s and 1980s by apprehension about U.S. decline and in the post-Cold War era by the “rise of the rest” (that is, a post-American world defined by the rise of other countries, as opposed to the decline of the U.S.). But those debates were always “academic.” Because the scales of world power change so slowly, no one expected the question to be put to the test anytime soon. When journalist Fareed Zakaria worried about the rise of illiberal democracies 20 years ago, he counted on the U.S. to backstop liberal rules. The same was true ten years later, when military historian Azar Gat warned about the return of authoritarian great powers. Even Zakaria’s more recent bestseller, The Post-American World, concerns incremental adjustments in a liberal order supported by the U.S. for decades to come.

Today, the U.S. confronts both external and internal challenges to foreign engagement. These tensions were already visible in the previous administration: War-weary President Barack Obama (2009–17) questioned the wisdom of expansive security commitments, advocating a new course in U.S. foreign policy based on selective engagement, with foreign

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commitments limited to areas of vital interest. President Donald Trump has not only cast doubt over U.S. security commitments, but more controversially has questioned U.S. economic commitments, proposing comprehensive disengagement. Can Pax Americana endure the twin challenges of deep-seated structural changes and the U.S.'s reduced willingness to uphold the system?

Before Pax Americana...

Pax, after the Roman goddess of peace, is often taken to mean a state of peace, but it more accurately describes a secure and stable political and economic order, backed by the principles of the prevailing military power. A Pax emerges after significant victory on the battlefield, and is maintained through foreign interventions, deterrent threats and economic and cultural exchange.

Pax Romana, also called Pax Augusta, was the first Pax. It lasted for two centuries, beginning with the reign of the first Roman emperor, Augustus, in 27 BC, and ending with the death of Emperor Marcus Aurelius in 180 AD. The philosopher, statesman and dramatist Seneca the Younger is credited with having made the first reference to the Roman peace in 55 AD. For Seneca, Pax Romana marked the end of civil war and the beginning of the Augustan era following the defeat of Mark Antony and Cleopatra at the Battle of Actium in 31 BC. Subsequently, Pax Romana took on a broader meaning in the context of imperial conquests.

There nevertheless remained significant alterations between periods of war and peace. Even in Roman times, prominent thinkers were reluctant to equate Pax with peace. The senator and historian Tacitus drew attention to the brutality and devastation required to establish order after foreign subjugation, warning “where they make a desert, they call it peace” (“ubi solitudinem faciunt, pacem appellant”). Rather than establishing peace, Pax Romana ushered in a relatively stable order, securing cultural exchange and commerce across the Mediterranean and the Black Sea, covering an area stretching from Britain southward to North Africa and westward to the Middle East.

The Pax Mongolica, typically cited as between about 1270 and 1360 (also called Pax Tartarica), refers to the stability wrought by the Mongol conquests. Similar to Pax Romana, it paved the way for commercial, cultural and scientific exchange. The Mongols used brute force to subdue challengers and secure sea lanes and trade routes. But by the time the Mongols had established the largest contiguous land “empire” in history, extending from the Pacific Ocean to Poland and from Russia to Pakistan, they had already dissolved into disparate warring khanates (the Yuan dynasty, the Golden Horde, the Chagatai and the Ilkhanate). In contrast to Pax Romana, Pax Mongolica was not enforced by a cohesive, political entity, but separate political entities (the khanates). Thus, it was not a prototypical empire since no single core, but rather multiple cores, ruled peripheral lands.

Pax Ottomana was essentially a Muslim Pax. It began after the fall of Constantinople, captured by the Ottomans, in 1453, and lasted until the very end of the 17th century (1683). At the height of the Ottoman Empire, a zone of political and economic stability was established over the Horn of Africa, the western and most eastern parts of the Middle East, Anatolia, Southern and Eastern Europe, and the Caucasus. During this period, several wars were fought, especially between Persia and the Ottoman Empire over the Caucasus, shifting control between them. The Ottoman sultans secured caravan routes so that commerce could flourish, and new developments in science and the arts spread throughout the region.

Pax Britannica lasted for a century, from the end of the Napoleonic Wars in 1815 to the outbreak of World War I (WWI) in 1914. Like Pax Romana, Pax Britannica was sponsored by an empire. Covering a quarter of the Earth’s land mass, and nearly a quarter of the Earth’s population, it was the largest non-contiguous empire that ever existed. Under Pax Britannica, the British Royal Navy did what the Romans, the Mongols and the Ottomans had done in the past when they secured sea passages to promote long-distance trade. Pax Britannica was not especially peaceful, but it marked a period largely absent of great power war. Apart from the Crimean War (1854–56), when the Ottoman Empire, Britain, France and Sardinia allied to overthrow Russia in the Balkans, the great powers did not fight each other until the eruption of WWI.

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Origins of Pax Americana

The trajectory of Pax Americana is strikingly similar to that of Pax Romana. The first reference to Pax Americana described the peace within the U.S. at the end of the Civil War in 1865. From the time around the 1898 Spanish-American War until WWII, Pax Americana referred to the promotion of stability and democracy in the Americas, achieved by supplanting European interference with U.S. interventions. This historic Pax was a logical extension of the 1823 Monroe Doctrine, which sought to protect the American hemisphere from European practices, such as collecting debt through military action, "gunboat diplomacy," and colonial administration as in Emperor Maximilian's reign over Mexico before his execution in 1867. In the post-WWII era—especially since 1949, when the Soviet Union acquired nuclear weapons, the People's Republic of China was proclaimed by Mao Zedong and the North Atlantic Treaty Organization (NATO) was created—Pax Americana has referred to an international order in which the U.S. provides relative security and stability, allowing states to interact peacefully for greater prosperity.

The complete destruction of economies and infrastructure caused by WWII weakened all great powers except the U.S., which was geographically isolated from Europe and entered the war late, emerging as the world's most potent economic power. The role that began for the U.S. when it intervened to end WWII was thus consolidated by its involvement in WWII and its aftermath. In providing economic assistance through food shipments to Europe and Japan—initiating the Marshall Plan to reconstruct Western Europe and providing grants and credits to Asia—the U.S. earned tremendous goodwill and loyal allies.

Unlike Pax Romana or Pax Britannica, Pax Americana was not secured by a formal empire that controlled the domestic or foreign policies of other countries. Rather, Pax Americana was "an empire by invitation." It used force to uphold international order and stability when necessary, and ruled through international institutions when sufficient. The U.S. played a major role in creating: the United Nations (UN) in 1945, with the mission of preventing wars and promoting cooperation based on international law; the General Agreement on Tariffs and Trade (GATT) in 1948, which was succeeded by the World Trade Organization in 1995; and the two 1944 Bretton Woods institutions for development and finance, the World Bank and the International Monetary Fund (IMF).

Similar to earlier historical examples, Pax Americana is based on U.S. values and principles. The liberal orientation of Pax Americana most clearly resembles Pax Britannica insofar as it is a system based on the liberal values of open seas, free trade and capital flows centered on the U.S. dollar, as well as respect for international law and human rights. However, significant differences exist in the respective interpretations by Pax Americana and Pax Britannica of liberal tenets such as free trade and human rights. Historically, the U.S. has delivered a relative peace by extending security guarantees backed by overwhelming military superiority, and by intervening to suppress conflicts that have the potential to spiral out of control and threaten core U.S. interests, values and system stability.

Bipolarity and Cold War rivalry

Quite immediately following WWII, relations between the U.S. and the Soviet Union started to decline. The wartime alliance between the Big Four (the Soviet Union, China, Britain and the U.S.) collapsed under mutual distrust, competing geopolitical designs and ideological differences. By 1946, the U.S. and Great Britain had grown increasingly wary of Soviet intentions, assuming expansionist motives. The mood was captured in George Kennan's "Long Telegram." As chargé d'affaires at the U.S. Embassy in Moscow, he sent an 8,000-word document to the Department of State that year, signaling concerns that the Soviet Union could not coexist peacefully with the U.S., and predicting Russia's communist expansionism.
British Prime Minister Winston Churchill’s (1940–45; 1951–55) imagery of an Iron Curtain separating the East from the West supported Kennan’s telegram. Kennan and Churchill were right about the creation of a Soviet bloc in Eastern Europe, though some believe the Soviets created the bloc as a purely defensive buffer against a resurgent Germany and the emerging Western bloc. Kennan himself regretted the hardline approach of the Harry S. Truman administration (1945–53) in the Soviet Union, which left little room for negotiation. In 1947, the Truman Doctrine was established, pledging aid to countries that were at risk of falling to the Soviet Union’s expansionism, and inaugurating the U.S. policy of containment that would remain in place throughout the Cold War. Containment promised economic and military aid to prevent leftist governments from taking hold in Europe, and later in Latin America, Asia and Africa. By 1949, NATO was formed between North American and West European countries that pledged collective defense, evoking an attack on one member of the alliance with an attack on all.

The origins of the Cold War remain disputed. Traditional explanations mainly attribute blame to the Soviet Union, and revisionist accounts accuse the U.S. Laying all responsibility for the impasse on one side is too simplistic. Orthodox accounts that only stress Soviet liability overlook important facets of the brewing conflict. The Soviet Union could have reasonably felt a right to exercise power in Europe after having borne the brunt of the war. Meanwhile, the U.S. had its own hegemonic ambitions—specifically, the desire to create an open international economy antithetical to Soviet interests—which made it convenient for U.S. policymakers to exaggerate the Soviet threat. U.S. policymakers for their part were right to be suspicious of Soviet intentions since the Soviets had similar expansionist objectives. The great power confrontation between the U.S. and the Soviet Union was a Manichean ideological battle fought by states possessing unprecedented lethal capability.

The first Cold War crisis erupted over the Soviet Union’s refusal to withdraw troops from Iran by the agreed deadline of March 2, 1946. Mutual mistrust botched the 1946 Baruch Plan, which stipulated that the U.S. would turn over its nuclear weapons on the conditions that other countries not produce their own nuclear weapons and also agree to UN inspection. A series of crises followed in quick succession over great power influence in Turkey and Greece, as well as the more critical crisis over Germany (i.e., the Berlin blockade and airlift in 1948, when Western powers delivered supplies to Berlin following a Soviet attempt to block access to Allied sectors of the divided city).

The Cold War never put the U.S. and the Soviet Union directly at war. Instead, they fought proxy wars involving overt and covert offensives. A system emerged based on spheres of influence. The U.S. spun a web of power and committed to defend more than 50 countries extending over Western Europe, Japan, South Korea, Australia, New Zealand and the Pacific Islands; whereas Eastern Europe, Cuba, Laos, Vietnam, North Korea and China (up until 1949), lay within the Soviet realm of defense. Latin America, Africa and the Middle East were divided between the superpowers, with allegiances shifting throughout the Cold War as liberation movements formed to fight oppression from authoritarian dictatorships sponsored by either side. Sometimes civil war erupted in the name of capitalism, other times in the name of communism. The U.S. had political goals in addition to economic ones and wanted to populate the world with like-minded liberal democracies. The country compromised along the way, sponsoring authoritarian regimes like those in Chile and Iraq. They believed pro-Western dictatorships could eventually be turned into democracies—a less likely future for totalitarian states—as elaborated in the Kirkpatrick Doctrine, named for UN Ambassador Jeane Kirkpatrick (1981–85) under President Ronald Reagan (1981–89).

Superpower rivalry created a bipolar order with two great powers balancing each other in a relatively stable system defined by the absence of great power war. The Cold War carried considerable risks, however: It brought the world to the brink of nuclear war in the 1962 Cuban Missile Crisis, and it claimed many lives—over a million in the Vietnam War (1955–75) alone. More than half a decade later, between 1969 and 1979, there followed a period of détente, in which superpower tensions were eased through negotiations, summits and treaties. This period ended with the Soviet intervention in Afghanistan. Overall, relations between the U.S. and the Soviet Union remained frosty up until the years immediately preceding the fall of the Berlin Wall in 1989, which marked the symbolic end of the 28-year-long division of East and West Germany, and was quickly followed by the collapse of the Soviet Union.

Unipolarity after the collapse of the Soviet Union

The Soviet Union started imploding in 1989 and dissolved in 1991. The West had won the Cold War, and the U.S. emerged as the sole superpower in the international system. Declinist thinkers of the 1970s and 1980s had misdiagnosed the U.S.’s relative power in the international system. Contrary to the predictions of the British historian Paul Kennedy’s The Rise and Fall of the Great Powers, it was the Soviet Union—not the U.S.—that succumbed to “imperial overstretch,” or the idea that a great power can extend its global commitments to the point where it can no longer sustain them.

In the last decade of the 20th century, the U.S. was primus inter pares—a first among equals—all front front, extending itself militarily, technologically, economically and culturally like no other state. The mood in the U.S. was effective. “Not since Rome has one nation loomed so large above the others.”
wrote political scientist Joseph Nye in 2002. Drawing on large reservoirs of both hard and soft power (or the power to attract), the U.S. was, as Nye put it, "bound to lead." By the end of the century, French Foreign Minister Hubert Védrine (1997–2002) captured the less enthusiastic disposition to unipolarity in other parts of the world, labeling the U.S. a "hyperpower."

Bipolarity gave way to a "unipolar moment," presenting unique opportunities for U.S. power projection. In the course of the 20th century, liberal democracy superseded the ideological alternatives—fascism and communism—in a steady sociopolitical march toward what political philosopher Francis Fukuyama famously called the "end of history" (the idea that liberal, capitalist democracy was the inevitable final form of government). The new unipolar order was peaceful insofar as it made states more certain about the distribution of power, thus lowering the probability of conflict. Unipolarity was also durable because no single state could defeat overwhelming U.S. military power, and any attempt to balance U.S. power would require substantial collective action.

Emboldened by the lack of systemic constraints, the U.S. embarked on an unusually activist foreign policy agenda, policing the world and promoting market freedoms, democracy and human rights. Controversial interventions in Haiti, Bosnia, Somalia and Kosovo had a mixed record of success. The secretary of state under the first Bill Clinton administration (1993–97), Warren Christopher, called the conflict in the former Yugoslavia "a problem from hell," an expression which took on broader meaning after the publication of Samantha Power's book by the same name. A former Harvard professor and U.S. ambassador to the UN under the second Obama administration (2013–17), Power worked hard to shame the U.S. into recognizing a moral duty to act in the face of genocide.

Just how broadly the U.S. should define its interests remains the subject of intense debate. President Trump proposes that the U.S. should only act in a narrowly defined national interest based on sovereignty and issue-specific, short-term, cost-benefit analyses. Every previous U.S. president in the postwar era had interpreted the national interest more broadly as including long-term systemic interests aimed at preserving the U.S. as a global leader and the dominant international force.

The 2016 Democratic presidential candidate, Hillary Clinton, and the contender for the Democratic party's presidential nomination, Bernie Sanders, defined the national interest in these broader terms as well, though Sanders was critical of the "Washington playbook" (excessive reliance on the use of force).
New threats to Pax Americana: terrorism and rising powers

A new national security phenomenon threatened Pax Americana starting in the early 1990s, as non-state actors wreaked havoc by targeting the U.S. at home and abroad (the 1993 attack on the World Trade Center in New York City; the 1996 explosion at a U.S. air base in Saudi Arabia; the twin attacks in 1998 on U.S. embassies in Tanzania and Kenya; the 2000 USS Cole bombing off the coast of Yemen). Washington's increasingly activist foreign policy, particularly in Iraq, dredged up old grievances in the Middle East and created unanticipated problems as militant Islamist fundamentalists used terror to avenge U.S. military installations in Saudi Arabia during the Gulf War (1990–91) and attack the spirit of Pax Americana.

On the morning of September 11, 2001, two commercial airline carriers bl蜇ed the twin towers in Manhattan. A third crashed into the Pentagon. A fourth, aimed for the White House, was forced down by passengers and collapsed into the fields of Pennsylvania. For a nation that stood at the height of its power, and whose homeland had not been attacked by a foreign power since the Burning of Washington by British troops in 1814, the loss of life and security was cataclysmic. For the first time in history, NATO invoked Article 5 of its founding treaty, in which alliance members pledge that "an armed attack against one or more of them in Europe or North America shall be considered an attack against them all." On September 20, President Bush declared a "War on Terror." The administration blamed the militant Islamist organization al-Qaeda for the attacks and tried but failed to hunt down the organization's leader, Osama bin Laden, as well as the Taliban (the fundamentalist Islamist political movement that sheltered bin Laden in Afghanistan and then in Pakistan).

By 2002, the attention shifted to states sponsoring terrorism and to weapons of mass destruction (WMDs). President Bush characterized North Korea, Iran and Iraq as rogue states, who formed an "axis of evil." He asserted that the U.S. would exercise its "right of self-defense by acting preemptively against such terrorists." The prerogative to strike against threats before they emerged became a controversial element of the Bush Doctrine, which sought to maintain U.S. prominence through unilateral policies "to bring the hope of democracy, development, free markets, and free trade to every corner of the world."

Neoconservative policymakers at the time—most prominently, Deputy Secretary of Defense Paul Wolfowitz (2001–05), Vice President Dick Cheney (2001–09) and Secretary of Defense Donald Rumsfeld (2001–06)—pushed for war with Iraq for multiple reasons. They wanted to stop Iraqi dictator Saddam Hussein's (1979–2003) alleged support of terrorism, to prevent him from acquiring WMDs and to bring democracy to Iraq in order to pacify the region. On September 8, 2002, National Security Adviser Condoleezza Rice (2001–05) pressed the case for war in Iraq on security grounds: "There will always be some uncertainty about how quickly [Hussein] can acquire nuclear weapons. But we don't want the smoking gun to be a mushroom cloud."

On October 16, 2002, Congress authorized the use of military force against Iraq. Presenting (false) evidence of Iraqi WMDs at the UN in 2003, the U.S. tried to pass a Security Council resolution authorizing war against Iraq, but failed and instead cobbled together a "coalition of the willing." The March 2003 invasion was still supported by some 40 countries, most of which contributed troops during the occupation. The Iraq War ended in 2011. Nearly half a million people died as a result of the conflict, which cost the U.S. about $2 trillion. Events like the 2003 UN debacle and subsequent human rights abuses against detainees at the Iraqi prison Abu Ghraib tarnished the U.S.'s reputation.

Many wondered whether the wars were in the national or international interest. The high price tag set off another round of declinist debate. The U.S. had undergone five previous rounds of declinism: in the late 1950s, amidst Soviet missile tests and the launch of the world's first artificial satellite, the Sputnik; in the late 1960s, during the period of Japan's economic miracle, known as the "golden sixties"; in the early 1970s, as Saudi Arabia's oil revenues skyrocketed; in the 1970s due to the Vietnam...
War and perceived Soviet military superiority; and in the mid-1980s, due to unprecedented U.S. budget deficits and Japan's concurrent economic boom and asset price bubble.

The newfound pessimism regarding U.S. capabilities and leadership in the third millennium was not just about the costly wars on terror. Many felt the U.S. was destined to be outcompeted economically by rising challengers, especially China. Two years before the Iraq War, the chairman of Goldman Sachs, Jim O'Neill, captured the doomsday sentiment when he coined the acronym BRIC, which predicted Brazil, Russia, India and China as the dominant economies of 2050 (the leaders of these nations held their first formal summit under the BRIC acronym in 2009; in 2010, South Africa joined the group, resulting in the amended acronym BRICS). Even before the 2008 U.S. financial crisis was in full swing, Fareed Zakaria declared the end of Pax Americana due to the "rise of the rest" in a post-American world.

A new world order and the demise of Pax Americana

Arriving at 'America First'

The power shift from West to East awakened old concerns about whether the U.S. had the means to fund the globe-trotting military presence necessary to uphold Pax Americana. Paul Kennedy's 1987 "imperial overstretch" hypothesis resonated with a growing chorus of scholars on both the right and the left of the political spectrum. On the right, those who sympathized with this line of thinking saw excessive military spending as resulting in fiscal profligacy that compromised U.S. prosperity. On the left, high military spending was seen as crowding out socially productive spending and signaling imperialist impulses.

By the time President Obama had stepped into his second term in 2013, it was clear that his foreign policy stance was not just a reaction to the global financial crisis, but that a more restrained foreign policy was in the making. "Leading from behind" was the epithet critics used to characterize the Obama administration's shift away from full-scale military intervention toward more limited covert interventions. Drawing lessons from the Bush wars, Obama eschewed foreign interventions in situations where the endgame looked like military occupation. While he authorized a troop surge in Afghanistan, committing some additional 60,000 boots on the ground, he otherwise favored launching missiles from warships or aircraft—especially from unmanned air vehicles (drones)—or using special operations forces to combat terrorism in Pakistan, Syria, Somalia and Yemen. In a 2014 commencement speech at the U.S. Military Academy at West Point, Obama openly resisted the inclination to solve international problems through the use of force: "Just because we have the best hammer does not mean every problem is a nail."

As advocated in the 2015 National Security Strategy (NSS), exercising "strategic patience" was sometimes seen as a better option. In 2016, the president doubled down on the risks of overextension, distancing himself from the prevailing foreign policy consensus: "When it comes to the use of military power...[t]here's a playbook in Washington that presidents are supposed to follow...[Responses] tend to be militarized responses. Where America is directly threatened, the playbook works. But the playbook can also be a trap that can lead to bad decisions."

Obama's criticism of U.S. security policy did not, however, extend to the economic realm. In trade, he pushed for the Trans-Pacific Partnership (TPP), a massive pact between the U.S. and 11 other Pacific Rim countries, and supported the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO). In the monetary realm, he exuded confidence that the dollar's role as the number one currency would continue to be determined by both governments and private investors, even as China, Russia, France and India called for a new order that would include a more diversified reserve currency system.

President Trump's "America First" policy extends Obama's turn toward restraint, opposing the U.S.'s self-proclaimed role as the world's "cop on the beat." But "America First" has a dark undercurrent that played no part
in President Obama’s rhetoric and policies. The slogan originates with the America First Committee (AFC), established to oppose U.S. entry into WWII. Charges of anti-Semitism and even pro-Naziism dogged several AFC members, notably Henry Ford and Charles Lindbergh. There is no evidence that Donald Trump is anti-Semitic, but he has been associated with discriminatory remarks and practices based on religion and race. For example, in the 1970s, his real estate company, Trump Management Company, was accused of racially profiling prospective tenants; in 2011, Trump questioned whether the U.S.’s first black president was born in the country; and in 2012, he offered a $5 million prize for President Obama’s college application; as a presidential candidate, he called Mexican immigrants rapists, thugs and drug lords; as president, he issued an executive order banning Muslims from seven countries from entering the U.S.; in response to demonstrations in Charlottesville, Virginia, he made no moral distinction between white nationalist protesters and counter-protesters.

European far-right populist leaders applauded Trump’s ascent to power. They shared common ground with him on issues pertaining to sovereignty, including strong border protection, restrictions on immigration (particularly Muslim immigration) and discontent over globalization. Nigel Farage, former leader of the United Kingdom Independence Party (UKIP), who led Britain’s vote to exit the European Union (Brexit) said Trump’s electoral sweep was “one of two big revolutions” in 2016, Brexit being the first. Similarly, the leader of France’s far-right National Front party, Marine Le Pen, said Trump’s win represented “a great movement across the world.” Authoritarian leaders, from Russian President Vladimir Putin (effectively in power since 1999–2000) to North Korean leader Kim Jong Un (2011–present) to Syrian dictator Bashar al-Assad (2000–present), also hailed Trump’s victory. For them, a U.S. less inclined to intervene abroad meant greater latitude to pursue controversial domestic and foreign policies unpopular with previous U.S. administrations.

The 45th president is clearly not alone in his advocacy for a new world order based on more nationalism than internationalist principles. Like other nationalist politicians, President Trump wants to recalibrate U.S. policy to better reflect national interests, which he believes are not well served by the LIO.

He maintains that the U.S. ends up subsidizing other states’ security, as well as their commerce and finances, as a result of the country’s global leadership and involvement. “America First” aims to put U.S. interests above common interests with other states, thus threatening to pull the U.S. out of longstanding security treaties (e.g., NATO) and international agreements (NAFTA, WTO) while refusing to sign on to new ones regulating the environment (the Paris climate accord) and trade (TPP).

U.S. policymakers have raised similar concerns before, seeing stark tradeoffs between national and international interests, and between military spending and economic prosperity. Before WWII, President Franklin D. Roosevelt (1933–45) struggled to explain why the U.S. had a stake in stopping the fascist advance in Europe. In his address to the University of Virginia in June 1940, he sought to impress upon the American people their interest in a free Europe: “[M]ilitary and naval victory for the gods of force and hate would endanger the institutions of democracy in the Western world.” But it was not until Japan attacked Pearl Harbor and Nazi Germany declared war on the U.S. in December 1941 that bipartisan support for entering the war emerged.

After WWII, successor presidents signed on to an internationalist agenda, but other U.S. politicians certainly continued to harbor more nationalist inclinations. For example, Senator Robert Taft (R-OH) (1939–53) opposed the internationalist policies of Presidents Truman and President Dwight D. Eisenhower (1953–61), and fought hard to isolate the U.S. from wars in Europe and Asia, while opposing NATO. In the 1970s, George McGovern, the Democratic presidential candidate in the 1972 elections against Richard Nixon, ran an anti-establishment campaign that sought to protect the interests of the middle class and put an end to profligate military spending in Vietnam. “Come home, America,” he urged. Patrick J. Buchanan championed “America First” in seeking the Republican presidential nomination in 1992, asking very similar questions to
the ones posed by President Trump: “Should the U.S. be required to carry indefinitely the full burden of defending rich and prosperous allies who take America’s generosity for granted as they invade our markets?” Further, Buchanan pitted his opponent George H.W. Bush’s globalist view against his own: “He believes in some pax universalis. We believe in the old republic. He would put America’s wealth and power at the service of some vague new world order. We will put America first.”

**A multidimensional advantage**

In stark contrast to this nationalist appeal is long-standing bipartisan support for sustaining liberal hegemony through U.S. security provision and leadership in international institutions. Different administrations have used different images to describe the U.S.’s special role in the world—the shining “city on a hill,” “the indispensable nation” and “American exceptionalism”—all of which converge on the idea that the U.S. has unique systemic responsibilities to promote an LIO in service of political freedoms and economic openness.

Central to this belief is the idea that the world is more peaceful and prosperous with the U.S. fully engaged, and that there is a risk of descending into turmoil if the U.S. turns isolationist, as was the case during the interwar years (1919–39). The unwillingness of the U.S. to assume a leadership role during these years—to pursue commercial openness and macroeconomic stabilization—sparked a tit-for-tat tariff war and created deflationary pressures that prolonged and deepened the economic downturn. The political repercussions were monumental, as the Great Depression (1929–39) contributed to the rise of Adolf Hitler in Germany and Benito Mussolini in Italy in the 1930s.

Before Trump took office, postwar presidents agreed that the U.S., as the preeminent economic and military power, was different than other great powers, and could not afford to define its interests narrowly using conventional criteria such as the preservation of territorial integrity, sovereignty or gains from specific economic bargains. In their eyes, the stability of Pax Americana resulted from the non-exploitative quality of the U.S.-backed LIO, which provided a context where all states could benefit. As long as the “rise of the rest” did not produce a regional hegemon, the diffusion of material gains was seen as an intended consequence of liberal economic exchange.

President Trump and other detractors of the LIO are correct that U.S. capabilities have declined relative to other states in the international system. Even though the U.S. remains by far the most powerful country in the world, it has lost ground in certain areas. Most controversially, and often taken as the ultimate sign of economic weakness, the U.S. is no longer the world’s largest exporter (though it remains the world’s largest importer). Declining export shares are, however, a misleading indicator of commercial retreat because global supply chains complicate the commercial scorecard. When calculating the balance of trade, the entire value of an imported good (e.g., an iPhone imported to the U.S.) is assigned to the exporting country (e.g., China), even if very little value was added in the exporting country as compared to the value added elsewhere (the U.S.) as a result of the component parts and technology embedded in the product. The WTO is currently developing a value-added methodology to better reflect the economic implications of global trade.

Concerns about the U.S. trade deficit also tend to obscure that it reflects the investment-savings imbalance in the U.S., and that the U.S. is structurally inclined to run a trade deficit as long as it remains the world’s favorite investment destination. Whether U.S. trade deficits are a source of weakness or of strength, they are often seen as a threat to U.S. jobs. In reality, however, automation, not trade, accounts for the overwhelming portion of U.S. job loss in the manufacturing sector. But automation has not diminished U.S. employment more than trade in all bilateral relationships. During the period 1999–2013, economists estimate U.S. job loss due to imports from China to range between 2 and 2.4 million.

Looking at the broader picture, the U.S. remains the world’s largest economy, largest trader (albeit with China close behind), and home to the world’s most highly valued companies. It acts as “world banker,” issuing the world’s reserve currency. The U.S. dollar is also the number one currency for international business transactions, and the U.S. is home to the largest, most

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*This photo, taken on January 13, 2017, shows the foreign trade container terminal in Qingdao Port, east China’s Shandong Province. (XINHUA/YU FANGRONG/GOTGET IMAGES)*
world by reclusive dictatorships such as Syria and North Korea, as well as aspiring regional hegemons Russia, Iran and China.

Russia, Iran and Syria have taken cover under the fight against terrorism to legitimize incursions in foreign lands and/or brutal repression at home. In 2013, Syrian President Bashar al-Assad attacked civilians with chemical weapons, crossing President Obama’s “red line” (his 2012 warning that if Assad used chemical weapons, the U.S. military would intervene). The U.S. did not respond with intervention, thus exposing a reluctance to enforce the president’s own ultimatum.

U.S. influence in the Middle East is fading despite the recent military defeat of the Islamic State (ISIS) terrorist organization. As an unintended beneficiary of the U.S.-led 2003 invasion of Iraq, Shi’a Iran is now in full-blown competition with its long-time Sunni rival Saudi Arabia for regional hegemony, fighting proxy conflicts in Syria, Iraq and Yemen.

Russia has also propped up the Syrian regime without serious rebuke from the U.S., and in Eastern Europe, Putin has pursued a new geopolitical blueprint as well, first invading and then annexing Crimea, and intervening in eastern Ukraine. By supporting separatist forces in eastern Ukraine, Russia has three strategic aims: to unite ethnic Russians; to create a buffer against NATO expansion onto Russia’s doorstep; and to secure economic interests, especially the gas transit running through Ukraine to Western Europe. With activity steadily escalating since 2014, Putin may be testing the waters for a total invasion of Ukraine.

In the Pacific, the U.S. has a more serious problem. China is working hard to unseat the U.S. as East Asia’s regional hegemon. Flexing considerable muscle, China is militarizing and building artificial islands in the disputed South China Sea, and increasing oil and gas exploration in the equally contested East China Sea, over which it has also introduced airspace restrictions (the Air Defense Identification Zone). Tensions between the U.S. and North Korea continue to escalate, and President Trump has declared an end to the era of “strategic patience” with Pyongyang.

Today, the problem is not just that the world can no longer count on the U.S. to act as global policeman, but that the U.S. is seeking to shake down allies for better deals, using exceptionally tough negotiation tactics. The strategy could indeed produce better deals for the U.S., but it could also backfire. If all countries pursue nationalist goals using unbending tactics, international cooperation will become a zero-sum game, leaving no scope for agreement. We are already witnessing a drama of clashing nationalist hardliners. Two governments who praised Trump’s rise to power and the new world order—Damascus and Pyongyang—are now on a collision course with Washington. Moscow is next in line.

By contrast, in a system of Pax Americana, U.S. security alliances are not ancillary to the liberal order; they are its very foundation. What separates the U.S. from other great powers is not only its material capabilities, but its unprecedented network of allies. If the U.S. loses these alliances, a long list of advantages will disappear. Historical allies have been willing to host and subsidize U.S. overseas bases, making it easier for the U.S. to roll onshore when it wants to protect core interests. In addition, U.S. allies provide military support and legitimacy for U.S. missions, reducing the cost of U.S. operations. There are also critical economic interests at stake. A secure international system reduces the costs of international trade and investment. Many economists and political scientists believe that geopolitics shape reserve currency status and that U.S. allies hold dollar reserves as a quid pro quo for U.S. military protection. Slippage in the economic ranks will jeopardize U.S. security because commercial and financial exchange with the U.S. has worked as an economic containment strategy, reducing incentives to fight, and thereby contributing to a relative peace.

Inevitably, all Paxes come to an end. The success and longevity of Pax Americana has largely been due to the U.S.’s ability to strike a delicate balance between maintaining its privileged position, while at the same time ensuring sufficient global benefits to incentivize other countries to contribute to the system. If Pax Americana were to come to a close over the course of the next decade, it would not be by necessity, but as a result of deliberate U.S. choices.

United States Trade Representative Robert Lighthizer (R) and Mexican Secretary of Economy Ildefonso Guajardo Villarreal wait for the start of a press conference at the conclusion of the fourth round of negotiations for a new North American Free Trade Agreement (NAFTA) at the General Services Administration headquarters in Washington, DC, on October 17, 2017. (ANDREW CABALLERO-REYNOLDS/AFP/Getty Images)
liquid and deepest financial markets in the world. Moreover, no other single state has so far been able to achieve the sort of multidimensional power base that the U.S. has maintained for more than 70 years. The Soviet Union and subsequently Russia have been militarily strong but economically weak. Germany and Japan have been economically strong but militarily weak. Even compared to China, whose military and economic power has been growing at a tremendous pace over the last several decades, the U.S. remains in a league of its own economically, while continuing to possess the most formidable military, air, naval and nuclear capability in the world. No challenger has ever gained a consistent advantage over the U.S., much less a multifaceted advantage.

The unraveling of the economic order

The Office of the U.S. Trade Representative has started to concretize an “America First” trade policy, which aims to use U.S. trade statutes to force other countries to adopt more market-friendly policies. In the 1980s, the U.S. also engaged in “fair trade” litigation when the WTO’s predecessor, the GATT, did not have strong enforcement powers. These practices receded with the 1995 reform of the WTO’s Dispute Settlement Body, which enhanced WTO enforcement powers by making Panel arbitration decisions binding. The Trump administration has also raised the specter of replacing multilateral and regional trade agreements with bilateral agreements. “We’re going to make trade deals, but we’re going to do one-on-one,” Trump said at the 2017 Conservative Political Action Conference. “And if they misbehave, we terminate the deal. And then they’ll come back and we’ll make a better deal. None of these big quagmire deals that are a disaster.” The U.S.’s trade partners continue to pursue regional agreements, however. Despite the U.S. abandoning TPP in January 2017, other countries have moved ahead with an 11-member “TPP minus the U.S.” which includes large trading nations such as Japan, Canada, Mexico and Australia. If successfully concluded, it will reflect a desire to sustain free trade in spite of “America First.” The agreement is especially important to Japan, which wants economic checks on China’s growing influence in the region.

If the new pact does pass, it is questionable whether its members will want to negotiate bilateral agreements with the U.S., which provide greater opportunities for the U.S. to play hardball, making them attractive to Washington and equally unattractive to other governments. NAFTA is currently being renegotiated under the threat of U.S. termination. Progress stalled during the November 2017 negotiations in Mexico. If NAFTA falls apart, the U.S. could still keep the 1989 Canada-U.S. Free Trade Agreement (currently superseded by NAFTA), but that all depends on whether Canada is willing to grant the concessions required to maintain the deal. During his November 2017 tour of Asia, President Trump confirmed that the U.S. would not be negotiating large trade deals that “tie our hands, surrender our sovereignty and make meaningful enforcement practically impossible.”

If the U.S. renegotiates or repeals trade agreements, there is a risk other countries will retaliate, sparking a tariff war. If foreign goods are no longer welcome in the U.S. market, official investors may not want to support the dollar-centric international monetary system whereby central banks hold low interest-bearing U.S. dollar assets. If governments diversify into other currencies, private investors may follow suit. The U.S. dollar could lose its special place as the number one currency for reserves, trade and investment. The U.S. government’s borrowing costs would rise as the significant perks associated with being the world’s first global currency started to erode. If U.S. dollar assets became less attractive, less capital would flow to the U.S., shrinking U.S. trade by reducing imports, including U.S. imports of intermediate inputs, upon which the U.S. export sector depends.

As U.S. economic power fades, so will U.S. authority within the institutions it created to regulate economic flows. If countries continue to pursue preferential trade agreements without the U.S., Washington may lose influence within the WTO as countries navigate towards other power centers—the EU or China. Further adjustments in IMF and World Bank voting rights may be necessary if the U.S. loses financial clout as a result of waning commercial influence. Changes are already underway, with all the BRIC countries gaining greater voting rights. As of 2016, China has the third largest IMF quota and voting share after the U.S. and Japan, while India, Brazil and Russia have increased their shares to become top ten members of the IMF. Power shifts within the Bretton Woods institutions may not, however, fully satisfy new great powers as the economic center of gravity moves away from the U.S. Alternatives to existing institutions, such as the China-sponsored Asian Development Bank, could gain a lot more traction.

The unraveling of the security order

In the security arena, “America First” means a preoccupation with sovereignty, acting upon immediate threats to the homeland, preventing the emergence of regional powers and viewing security bargains as quid pro quos. This turn in U.S. foreign policy poses tremendous risks. Other states may interpret U.S. withdrawal as a license to pursue ambitious foreign policy goals, and the creation of power vacuums may lead the other great powers to fill the void. Indeed, we already see emboldened moves in many parts of the
discussion questions

1. Is Pax Americana over? What evidence supports your answer? Does the U.S. have a grand strategy informing foreign policy today? If so, what does it look like?

2. For decades, successive U.S. administrations promoted a liberal international order, championing individual freedoms and economic openness. Does this remain the best strategy to secure U.S. interests in the current international landscape? What is the international order likely to look like if the U.S. steps back from its global leadership role?

3. In the security domain, President Donald Trump’s “America First” policy is in some ways an extension of the Barack Obama administration’s aversion to military intervention abroad. Under what circumstances, if any, is U.S. military intervention expedient or imperative? What is at stake for both national security and global security if the U.S. retreats from intervening militarily to protect global interests? What guidelines or principles should U.S. policymakers use when distinguishing between national and global interests in an interdependent world?

4. How potent a threat is the “rise of the rest” to U.S. economic power? What about the BRICS economies (Brazil, Russia, India, China and South Africa), specifically? What are the security implications of ongoing shifts in economic power?

5. Nationalist and populist policies have been on the rise not just in the U.S., but also across the globe, a prominent example being the British vote to exit the European Union (Brexit). How might the nature of this political shift affect the international flow of people, goods, services and capital?

6. In Syria’s ongoing civil war, both Iran and Russia have increased their involvement as power brokers to the detriment of U.S. goals in the region. In Syria and elsewhere, how might a reduced U.S. role and military presence impact U.S. power and interests?

suggested readings

Brooks, Stephen G. and Wohlfarth, William C., America Abroad: The United States’ Global Role in the 21st Century. 288 pp. Oxford: Oxford University Press, 2016. This book argues that the U.S. is and will remain the only global superpower, that hegemonic benefits outweigh the costs, and that if the U.S. retreats, core U.S. security and economic interests, as well as the liberal international order, will be jeopardized.

Fukuyama, Francis, The End of History and the Last Man (Reissue ed.). 464 pp. London: Freé Press, 2006. Writing at the end of the Cold War, Fukuyama, a political theorist, argued that history was an evolutionary process in which liberal democracy was the final form of government, and that although specific events would continue to unfold and even challenge liberal democracy, it would remain unassailable as a political idea.

Mearsheimer, John J. and Walt, Stephen M., “The Case for Offshore Balancing: A Superior U.S. Grand Strategy.” Foreign Affairs, July/August 2016. The authors make the case that the U.S. should abandon liberal hegemony, and that because the costs of hegemony outstrip the benefits, the U.S. should drastically curtail its global military posture and focus on preserving the balance of power in Europe, East Asia and the Persian Gulf.


Don’t forget: Ballots start on page 105!

To access web links to these readings, as well as links to additional, shorter readings and suggested web sites, go to www.greatdecisions.org

and click on the topic under Resources, on the right-hand side of the page.