

THE POST-AMERICAN WORLD

By Fareed Zakaria

Reviewed by Frank Kunstel

Is America declining as a world power? Well, maybe says Zakaria, but not for a while.

Taking a more optimistic view than many commentators, Zakaria's main thesis is that American power and influence will remain close to what they have been. But other nations will rise in power and influence, so that today's "uni-polar" world will become a multi-polar world.

Zakaria documents with rich detail how the "rise of the rest" is already occurring. One well-known fund manager has compiled a list of the 25 companies most likely to be the world's next great multinationals. Four of them are from Brazil, four from Mexico, four for South Korea, etc. None are from the United States. The tallest building in the world is now in Taipei. The world's richest man is Mexican. The largest publicly-traded corporation is Chinese. The biggest movie industry is Bollywood, not Hollywood.

Zakaria also notes that the share of people living on a dollar a day plummeted from 40% in 1981 to 18% in 2004 and will fall to 12% by 2015. The poor are slowly being absorbed into growing economies in many countries of the world. For the first time we are witnessing genuine global growth. All of this illustrates that many countries will be expanding their strength and influence in the coming years.

At least for the next several decades the international system will consist of many powers and one superpower—the U.S. Europe cannot act in an integrated manner. Japan is locked into a slow demographic decline. China and India are still developing. So U.S. influence will remain, but within the context of several other important powers being more assertive and less willing to follow the lead of America. Instead of the U.S. being the 800 lb. gorilla in the room, we will be more like a 500 lb. gorilla with several 350 lb gorillas next to us.

The most significant rising power is China. China's economy has grown at 9% a year for the past 30 years. It has moved 400 million people out of poverty. The average Chinese person's income has increased sevenfold. Today it exports in a single day more than it exported in the entire year of 1978. It is the world's largest producer of coal, steel and cement. It is the largest cell phone market in the world. And, although it is ostensibly communistic, the Chinese government is quite pragmatic in its acceptance of capitalism. This pragmatism, combined with the centralized power of the government, allows China to enact new programs far faster than most western democracies. This authoritarian power also has many downsides for China, but so far the government has managed to address popular unrest successfully.

China's raw economic size means that in international relations it will take up space that previously was occupied by America, France and other western nations. China's goal of peaceful relations through economic relationships and its less interventional style (compared to the U.S.) makes it, for many nations, a less threatening partner than the U.S. with its image of being an overbearing superpower.

A second rising power is India, and it presents much different profile than China. In the past decade its economy has grown 6.9% annually. Over the past 15 years it has been the second fastest growing country in the world, right behind China. While China's rise is here and now, India's is more a tale of the future. But by 2040 it is forecast to be the third largest economy in the world. Where China grows through effective government planning, India grows from the bottom up. It has a vibrant private sector, established property rights, independent courts, and the rule of law. India's human capital—its entrepreneurs, managers and savvy business people—is the backbone of the country's growth and that group continues to expand. India possesses a vibrant and enthusiastic population that is eager to learn and to engage in business.

So the challenge for America is to learn how to operate in this post-American world. For lessons on how to do this, Zakaria looks to the decline of the British empire. He describes how Britain over-extended itself in foreign interventions. As its own economy weakened, such interventions grew more damaging to Britain. While he sees parallels for the U.S., he also notes differences—America has a stronger military advantage than Britain did; it dominates in such fields as nanotechnology and biotechnology; it has the world's best higher education system.

Zakaria also analyzes America's insularity, its stance on immigration, and its dysfunctional politics as challenges that must be addressed. And most importantly, he shows how America has gotten lazy and presumptuous in exercising its immense power. It has forgotten that there are competitors for international power and it has become arrogant.

Yet for all that, America will not soon be replaced on the world stage. It still has stronger economic, political, military and cultural power than any other nation. Zakaria believes the proper role for America will be to learn to direct and navigate the diversity of forces that are emerging. As the rise of the rest occurs, tensions will develop between countries such as China, India and Brazil. Rather than being the nation that makes things happen through the direct use of its economic and military power, America will need to develop approaches that use influence and problem-solving skills among nations. America will still be at the center of global politics. But it will need to serve as a broker using consultation, cooperation and compromise to set the agenda, define the issues, and mobilize the players.