

2017

# American decline and changing global hegemony

Addison Daniel Huygens  
*Iowa State University*

Follow this and additional works at: <https://lib.dr.iastate.edu/etd>



Part of the [International Relations Commons](#)

---

## Recommended Citation

Huygens, Addison Daniel, "American decline and changing global hegemony" (2017). *Graduate Theses and Dissertations*. 16148.  
<https://lib.dr.iastate.edu/etd/16148>

This Thesis is brought to you for free and open access by the Iowa State University Capstones, Theses and Dissertations at Iowa State University Digital Repository. It has been accepted for inclusion in Graduate Theses and Dissertations by an authorized administrator of Iowa State University Digital Repository. For more information, please contact [digirep@iastate.edu](mailto:digirep@iastate.edu).

**American decline and changing global hegemony**

by

**Addison Daniel Huygens**

A thesis submitted to the graduate faculty  
in partial fulfillment of the requirements for the degree of

**MASTER OF ARTS**

Major: Political Science

Program of Study Committee:  
Richard W. Mansbach, Major Professor  
James M. McCormick  
Timothy S. Wolters

The student author, whose presentation of the scholarship herein was approved by the program of study committee, is solely responsible for the content of this thesis. The Graduate College will ensure this thesis is globally accessible and will not permit alterations after a degree is conferred.

Iowa State University

Ames, Iowa

2017

Copyright © Addison Daniel Huygens, 2017. All rights reserved.

## **DEDICATION**

To my parents and sister who have loved, supported, and pushed me to improve and overcome. To my grandparents who always supported and believed in me during my studies.

## TABLE OF CONTENTS

ABSTRACT .....	v
CHAPTER 1. INTRODUCTION .....	1
CHAPTER 2. LITERATURE REVIEW .....	5
State Power .....	6
Hegemony .....	13
Domination vs Leadership .....	25
Past Hegemons .....	26
U.S. Hegemony .....	27
Liberal Hegemonic Order .....	30
Challengers .....	32
CHAPTER 3. THEORY .....	35
Theoretical Framework .....	35
Hegemon .....	36
Power .....	38
Challenger .....	39
Hegemonic Order .....	40
CHAPTER 4. METHODOLOGY AND RESEARCH DESIGN .....	43
Research Design .....	43
Power Capabilities .....	43
Hard Power .....	44
Soft Power .....	50
Liberal Hegemonic Order .....	54

CHAPTER 5. ANALYSIS .....	58
Data Limitations .....	58
Hard Power.....	58
Soft Power .....	75
Liberal Hegemonic Order .....	82
CHAPTER 6. DISCUSSION.....	86
Additional Research .....	90
CHAPTER 7. CONCLUSION.....	91
BIBLIOGRAPHY .....	93

## **ABSTRACT**

One of the reoccurring themes in international relations scholarship over the last fifty years has been the idea that the United States has undergone a decline. The United States established itself as a hegemon in the years following World War 2 thanks to a preeminence in power. However, it has been argued that the hegemony of the United States may now be at risk and that the American power advantage is shrinking in the face of rising challengers. This thesis examines American decline through an extensive literature review followed by an analysis of fifteen metrics of power capabilities along with three indicators of the liberal hegemonic order which the United States is trying to maintain. The results of this analysis demonstrate that the United States has undergone a relative decline in state power capabilities in recent years which has destabilized the American led liberal hegemonic order.

## **CHAPTER 1. INTRODUCTION**

The inaugural address of President Donald Trump painted an image of the United States as a dystopian economic wasteland with a crumbling infrastructure, a dilapidated military, unimaginable crime rates, and a failing foreign policy. This grim outlook on America's future captures the essence of the argument that we are nearing the end of the American century and that the United States is set to go the way of previous dominant powers. Others have argued that while inevitable, the U.S. is still the global superpower and will not be replaced for many decades. My thesis will examine the prospect of decline and its effect on the liberal world order.

My interest in this topic stems from my interest in international relations, grand strategy, and power transitions. As an undergraduate at Iowa State University pursuing my degree in history and political science, I spent a great deal of time studying the rise and fall of the city states of ancient Greece, the Roman Empire, and the major powers of 19<sup>th</sup> and 20<sup>th</sup> century Europe. With the prospect of American decline becoming an increasingly salient issue in American politics and political science research, I was immediately interested in delving deeper into this topic.

The issue of American decline is important to a great many people including policy makers, academics, business professionals, and the average voter. For decades the United States has been the source of a large portion of global economic production, established a vast international security network, and has been at the center of the global balance of power. Political leaders around the world, both present and future, will need to contend with the possibility and repercussions of a decline of a benevolent hegemon and fundamentally

important state. Some see the decline or replacement of such a prominent state to be the herald of large scale systemic changes.

Scholars, authors, and pundits have discussed ways that the United States can mitigate or successfully manage its own decline while others have written on ways in which the United States can prolong its dominance in the world through one strategy or another. However, here are few who believe that the United States will remain at the top of the balance of power indefinitely. Eventually, the United States will be surpassed either by the rapid rise of another state or through the absolute fall of American capabilities. The choices and skill of our elected leaders will determine how we weather such a transition, and thus it is important for those in authority to pay attention to this issue and identify what options they have for addressing it.

This issue is also important to voters who see their country as being on the wrong track. In one poll done by *Gallup*, 50% of respondents believe that China has already surpassed the United States as an economic superpower.<sup>1</sup> In another poll by *Rasmussen Reports*, potential voters were asked if they believed America was moving in the right direction; 59% of respondents claimed that the country was on the wrong track.<sup>2</sup> The mantra of the 2016 Republican candidate for President was that he would “make America great again.” This would seem to indicate a belief that the United States is no longer “great,” or at least is no longer as “great” as it once was. While the slogan is painfully vague, it does capture a recurring sentiment among international relations scholars and political elites. The idea that the United States may

---

<sup>1</sup> Lydia Saad, “Americans See China as Top Economy Now, but U.S. in Future.” *Gallup*. 22 February, 2016, <http://www.gallup.com/poll/189347/americans-china-top-economy-future.aspx>

<sup>2</sup> “Right Direction or Wrong Track.” *Rasmussen Reports*. 12 March, 2017. [http://www.rasmussenreports.com/public\\_content/politics/top\\_stories/right\\_direction\\_wrong\\_track\\_apr3](http://www.rasmussenreports.com/public_content/politics/top_stories/right_direction_wrong_track_apr3)



be in decline or on the brink of losing its position at the top of the global hierarchy has put forward by numerous policymakers and researchers during the last seventy years. But today it seems that the idea may be closer to the truth than in previous decline panics. The liberal global system that the United States established after World War 2, and expanded during the Cold War, appears to be eroding or in some cases ending as calls for increased protectionism grow, and major geopolitical conflict appear more likely.

Lastly, U.S. decline is important to the international community as a whole. As will be discussed later, the prospect of America being challenged as the preeminent power in the global system, or even replaced in time, can have major consequences for the international economic and security institutions that arose owing to its hegemony. The decline of American economic power may have major repercussions on international business, trade, and finance. With the U.S. dollar as the leading global reserve currency, a decline of the United States economy could send shockwaves into every other economy on Earth. Rising and increasingly assertive powers in China and Russia have begun to balance against American foreign policy and are expanding their own spheres of influence. The rising tensions in Eastern Europe and in the South China Sea for example, have raised serious concerns that the world order may be eroding. America's capacity and willingness to respond to these new challenges may be changing as the gap between the hegemon and its challengers continues to shrink.

What follows is an extensive literature review aimed at examining some of the most influential concepts in international relations pertaining to hegemony. Following my literature review will be a section discussing the theoretical foundation with which I have designed my research and interpreted my results. A data and methods section will detail how I will go about

examining national power and U.S. hegemony. Lastly my thesis will conclude with a brief discussion and summary of the results and potential areas for additional research.

## CHAPTER 2. LITERATURE REVIEW

A great deal of scholarship has been focused on the prospect of U.S. dominance and its eventual decline. This debate about American decline is not new; In fact, it has been a recurring theme in academic debate for decades. According to Josef Joffe, the United States has gone through periods of perceived decline five of the last six decades. Most recently, a new wave of declinism has begun in the face of the Great Recession of 2008, slow American economic recovery, and rapid militarization and modernization in China.<sup>3</sup>

This of course raises the question; Is the current debate about American decline just another exaggeration, or could the sun finally be setting on *Pax Americana*? Before attempting to answer this question, I survey the established literature to better understand the debate and the established theoretical field as well as to see what other contributions have been made. My literature review has focused on several prominent works on international power structures, hegemonic theory, and system transitions. I will start by examining the concept of national power, the vital yet ambiguous bedrock of international relations and hegemonic theory. I follow this with a broad overview of the major theories on hegemony and its role in international relations. Lastly, I will review the scholarship on American hegemony specifically in the 20<sup>th</sup> century and the potential challengers to America preeminence in the 21<sup>st</sup> century. My literature review can cover only a fraction of the many volumes of material written on the subject. However, I feel I have considered the most prominent and influential works on the subject of national power and American hegemony.

---

<sup>3</sup> Josef Joffe, "The Default Power: The False Prophecy of America's Decline," *Foreign Affairs* 88, no. 5 (2009): 21-22

## State Power

Any discussion of the decline of a state or the establishment or shift of hegemony requires a discussion about power. However, state power, as many political scientists have found, is a vague yet vital concept. What exactly is meant by power? How can it be measured? What relationship does one state's power have to the international system? A.F.K. Organski correctly observed; "In a way, it is easier to list those nations that are powerful than to specify of what their power consists."<sup>4</sup> Some scholars have dedicated their entire careers to studying the questions surrounding this allusive yet all-important concept. In my review of the literature on hegemony, I found that the overwhelming majority of sources cited a preponderance of power as a precondition for establishing hegemony. As the offensive realist John Mearsheimer puts it; "Great powers, I argue, are always searching for opportunities to gain power over their rivals, with hegemony as their final goal."<sup>5</sup> In this section, I will examine some of the pitfalls that authors can fall into while defining power and then move on to some of the important works that have helped to shape the way we think of power.

When discussing state power, there exist several traps that scholars must avoid. One trap is the flawed tendency to see economic resource dominance as the sole defining characteristic of national power.<sup>6</sup> Preponderance in wealth and natural resources does not always mean that a state will achieve a desired outcome. The United States for example, has for decades been viewed as the most powerful nation in the world thanks to its superiority in

---

<sup>4</sup> Alfred Organski, *World Politics* (Toronto: Random House of Canada, 1968), 102.

<sup>5</sup> John Mearsheimer, *The Tragedy of Great Power Politics* (New York: W.W. Norton & Company, 2001), 29.

<sup>6</sup> Martin Smith, *Power in the Changing Global Order: The U.S., Russia, and China* (Cambridge: Polity Press, 2012), 4.

financial markets, economic output, manufacturing and energy production, and military spending. Despite this resource superiority, it has failed to achieve many of its major foreign policy objectives.<sup>7</sup> Intangible qualities of a state and the skill with which a state's capabilities are applied can mean the difference between success or failure.

Another trap is the tendency of authors to discuss power in their work without giving an operational definition of what power is or how we can measure it.<sup>8</sup> In *The Rise and Fall of Great Powers*, Paul Kennedy discusses at length the development of modern, powerful states and how they can decline or collapse altogether. Yet despite his extensive research on the power of some of the most influential states, he never provides a concrete definition of what he considers power to be, rather, he looks at various resources and the discusses changes in the distribution of power among states.<sup>9</sup>

Authors have tended to focus on different categories of state resources as they form their definition of power. Military and economic metrics are the most common areas where researchers have operationalized state power. Some have looked at political and social explanations by defining power as "influence," which unlike "power," has the virtue of being used as a verb and focusing on the success of actors in changing another actor's behavior. Still, a few authors have combined these areas to conceptualize power as a combination of economic, military, and political variables.

---

<sup>7</sup> Christopher Layne, "Impotent Power? Re-examining the Nature of America's Hegemonic Power," *National Interest*, no. 85 (October 2006): 41.

<sup>8</sup> Smith, *Power in the Changing Global Order*, 4.

<sup>9</sup> Ibid, 4-5.

In *The Tragedy of Great Power Politics*, John Mearsheimer places power in the context of the ability to triumph in armed conflict. He emphasizes the importance of the use of power to defeat potential enemies, and thus divides power into two categories, potential power and actual power. Potential power refers to a state's population size and its wealth, since these are among the building blocks of military power.<sup>10</sup> Actual power by contrast refers to an existing army and the supporting air and naval forces. Mearsheimer places a special emphasis on the importance of land forces in determining the power of a state, arguing that they are the central element to military power thanks to their ability to conquer and hold territory.<sup>11</sup> Mearsheimer argues that concentration of power in a single actor raises the probability of war. Because the international system is characterized by anarchy, all states seek to maximize their power *relative* to their neighbors, creating distrust and fear from any perceived power gap. This fear can lead to arms races and eventually conflict between states.<sup>12</sup>

One of the most important issues concerning national power are shifts in the distribution of power that can affect the global hierarchy. These shifts were studied extensively by A.F.K. Organski who pioneered power transition theory. According to Organski, "Power, then, is the ability to influence the behavior of others in accordance with one's own ends."<sup>13</sup> Power then exists not in warehouses but in the relationship among actors in which one actor is to influence others into doing something it may not wish to. Organski suggests that in order to measure a state's power, we would need to look into the past at any disagreements or conflicts

---

<sup>10</sup> Mearsheimer, *The Tragedy of Great Power Politics*, 43.

<sup>11</sup> Ibid

<sup>12</sup> Ibid, 44-45.

<sup>13</sup> Organski, *World Politics*, 104.

between the state in question and other states with which it has disagreed. Whichever state achieved its desired outcome would then be considered more powerful.<sup>14</sup> This would give us an accurate picture of which state is more powerful, but it is inherently flawed. Organski points out that to use this method would help us to explain which actor was powerful at the time, but it would offer only limited insight as to the relative power of actors today or in the future. An actor that achieved its goal in a previous confrontation might not do so in a future confrontation.<sup>15</sup>

Instead, Organski argues it would be more useful to look at what he called the determinants of power, the capabilities and resources that afford an actor the ability to influence the behavior of others in order to predict current and future power. Organski makes clear that it is impossible to measure state power with precise accuracy, and that power may not necessarily mean an actor achieves its desired outcomes. However, by looking at the determinants of power we can get an approximation of the power of an actor, and can then make a prediction about the outcomes of future disputes.

Before he discusses the determinants of power, Organski dedicates a section to the ways in which power can be used to change the behavior of another actor. I am including this because looking at material capabilities tell us nothing unless we put into context of how those resources can be used by an actor. There are four ways in which an actor can try and influence the behavior of another actor, i.e. exerting power over another. These are usually persuasion, rewards, punishments, and/or force.<sup>16</sup> When an actor seeks to persuade another, it can try and

---

<sup>14</sup> Ibid, 120.

<sup>15</sup> Organski, *World Politics*, 120.

<sup>16</sup> Ibid, 112.

reframe an issue in a way that makes another actor reconsider its own preferences. This may be done by appealing to the other actor's sense of morality or by convincing it that a certain action is in its interest.<sup>17</sup> An actor can offer rewards to another actor such as favorable trade benefits or material payoffs.<sup>18</sup> Punishments would include policies such as trade embargos and economic sanctions, actions that are detrimental to the other, but are not meant involve violence.<sup>19</sup> The use of force is the application of military action meant to compel an actor to change its behavior. The U.S. intervention into Kuwait was an example of the use of force meant to change the behavior of Saddam Hussein's Iraq by what Thomas Schelling calls "compellence."<sup>20</sup>

Organski's determinants of power are divided into two categories, natural and social determinants of power. Natural determinants include geography, natural resources, and population. Geography refers to the amount of territory controlled by an actor, its climate, its topography, and its location. Natural resources provide an actor the ability to develop a robust and diverse economy and maintain a modern military establishment.<sup>22</sup> In his explanation of the importance of natural resources, Organski identifies minerals and fuels such as iron and coal, along with agricultural products as being among the most important resources. He also makes an important distinction that many others do not, that is, he identifies a difference between *possession* of a natural resource and the *use* of a resource. An actor that leads in the production of a natural resource may not be very powerful. Venezuela, for example, is a leading producer

---

<sup>17</sup> Organski, *World Politics*, 112.

<sup>18</sup> *Ibid*, 113.

<sup>19</sup> *Ibid*.

<sup>20</sup> *Ibid*, 114.

<sup>21</sup> Thomas Schelling, *Arms and Influence* (New Haven: Yale University, 2008), 70.

<sup>22</sup> Organski, *World Politics*, 138.



of petroleum, and yet it is not considered to be powerful. How efficiently a resource is used may give us a better approximation of power.<sup>23</sup> The third natural determinant of power is the population of a state. Population is the most important determinant of national power according to Organski, since a large population translates to a large labor force and potential pool for conscripts.<sup>24</sup>

Social determinants include economic development, political development (efficiency), and national morale. A state that possesses vast natural resources does not have power if it cannot convert those resources into high levels of military and economic capability. Political development means having government which is able to employ manpower and resources efficiently and develop their economy by investing in profitable and productive industries and skilled labor. They have large bureaucracies that are able to put policy into action and use a state's resources to affect domestic and foreign actors. Morale refers to the willingness of a population to put the collective interest above their own, or to adopt it as their own interest.<sup>25</sup>

One of the most influential authors on the issue of power in recent years is Joseph S. Nye who, like Organski, defines power as the ability of an actor to affect the behavior of others to achieve its goals.<sup>26</sup> Nye's conceptualization of power, however, goes beyond the widely used definition based on the means of reward and coercion. Rather than focusing on economic and military measures, Nye divides power into two separate categories, hard power and soft power. Hard power refers to the traditional metrics of power, economic and military capabilities. Soft

---

<sup>23</sup> Organski, *World Politics*, 106.

<sup>24</sup> Ibid, 144.

<sup>25</sup> Ibid, 184.

<sup>26</sup> Joseph Nye. "Get Smart: Combining Hard and Soft Power." *Foreign Affairs* 88, no.4 (August 2009): 160.

power looks at often in-tangible elements of national power that change the preferences of actors such as education or popular culture. They can also be described as coercive and co-optive powers. Hard power, the power of reward or coercion, can change the behavior of other actors by promising benefits or punishments. Co-optive power, or soft power, refers to the ability of a state to shape the preferences of others through the attractiveness of an actor's culture or values.<sup>27</sup>

Nye argues that neither hard nor soft power is more important than the other in achieving goals. Rather, he argues that each situation requires a combination of both. To counter the misconception that soft power or hard power could accomplish policy goals on their own, Nye came up with the concept of "smart power," a perfect combination of hard and soft power to achieve a goal. Every situation requires a different smart power strategy involving different applications of hard and soft power.<sup>28</sup>

Nye's conceptualization of soft power is similar to Antonio Gramsci's earlier conception of hegemony, that is, what is required to achieve hegemony. As I will explain later, Gramsci argues that a key requirement for hegemony is convincing others that your preferences are synonymous with their own. This would seem to indicate that soft power primacy is a necessary precondition for hegemony in the Gramscian sense. Nye argues that effective soft power can have the effect of changing the interests and motivations of other actors to become closer reflections of those of the dominant state.<sup>29</sup>

---

<sup>27</sup> Joseph Nye, *Soft Power: The Means to Success in World Politics* (New York: Public Affairs, 2004), 7.

<sup>28</sup> Nye, "Get Smart," 160-161.

<sup>29</sup> Nye, *Soft Power*, 6.

Realist and neorealist conceptualizations of hegemony almost universally accept the notion that hegemony is established by a state, which has a preponderance of power resources and capabilities. Realists are not alone in this view. The importance of power in hegemonic theory is echoed by liberal and Marxist theorists as well. However, the most powerful actor in a global system do not always establish a hegemonic order. For much of history the actor which dominated the balance of power has sought to establish more belligerent regimes in which their power is used to control directly the fate of others through coercion. This distinction between hegemony and empire has been emphasized by numerous scholars and theorists and will be expanded in what follows.

## **Hegemony**

Attempts to define and operationalize hegemony, like the concept of power, has been debated and discussed at length by scholars. What does it mean to be a hegemon? How does a state establish hegemony? How do the other actors respond to the presence of a hegemonic power? Answering these questions can help an actor navigate in a world where a superpower dominates the global system. In this section, I will explore literature concerning the origins of hegemony as a concept and give a brief explanation of the major developments and iterations of the theory.

The term hegemony is derived from the Greek word *ἡγέομαι*, transliterated as *hégeomai*, meaning leader, ruler, leadership, and commander.<sup>30</sup> It was originally used to refer to the personal leader of a military alliance, and then was later used to describe the leadership

---

<sup>30</sup> Smith, *Power in the Changing Global Order*, 29.

of a particular monarch, more specifically that of 4<sup>th</sup> century Macedonia.<sup>31</sup> More generally it referred to the dominance of a state, social group, or even an individual had over others. It was used by historian Thucydides in his *History of the Peloponnesian War* to describe the leadership of Athens and Sparta of their respective alliances. The emphasis on leadership means that hegemonic power was seen as distinctly different from actors that are simply more powerful than their neighbors. South Africa for example is stronger economically and militarily than its neighbors, but it is not considered to be a hegemonic power.<sup>32</sup>

From the time of the Greek historians and philosophers to the present, the meaning of hegemony has evolved and has eventually come to mean the simple domination by any one actor over others. This is interesting considering the emphasis placed on discerning between domination and hegemony by the ancient Greeks. It was not until the end of the 19<sup>th</sup> century and the beginning of the 20<sup>th</sup> that the concept of hegemony would have a major revival.

Arguably one of the most influential theorists whose work on social hegemony changed the way in which observers thought about the concept was Antonio Gramsci. Born in 1891, Gramsci became a prominent Marxist intellectual and helped lead the movement in Italy. However, with ascent of fascism Gramsci was arrested and imprisoned along with other Marxists and intellectuals. While in prison he wrote a series of essays that have come to be known as the *Prison Notebooks*.<sup>33</sup>

---

<sup>31</sup> George Modelski, *Long Cycles in World Politics*. (Seattle: University of Washington Press, 1987), 17.

<sup>32</sup> Benedetto Fontana, "State and Society: The Concept of Hegemony in Gramsci," In *Hegemony and Power: Consensus and Coercion in Contemporary Politics*, ed. Mark Haugaard and Howard H. Lentner. (Lanham: Lexington Books, 2006), 25

<sup>33</sup> David Forcacs, *An Antonio Gramsci Reader: Selected Writings, 1916-1935* (New York: Schocken Books, 1988), 23.

In these writings, he discussed hegemony in the context of the supremacy of one socioeconomic class over other classes in a social system. The bourgeoisie presided over the social system in most states as a *social* hegemon. Gramsci moved away from the traditionally Marxist view that leadership and supremacy came only with control of the economy and more specifically the means of production. Instead, Gramsci focused more on the role of politics, civil society, and existence of dominant/subaltern relationships.<sup>34</sup> The social hegemony of the bourgeoisie stemmed from the ability to make other classes consent to its leadership by presenting its own interests and ideas as also being the interests of other classes. They did this through the dissemination of unifying ideas and thoughts spread by intellectuals and propaganda, a task made easier by the fact that the bourgeoisie enjoyed control of the press, universities, and religious institutions. By accepting these ideas, other classes conflated their own interests with those of the bourgeoisie, thereby consenting to their own oppression.<sup>35</sup>

Gramsci proposed that the working class form a counter-hegemonic strategy in which the more numerous proletariat would rise up and become the new hegemonic social class. In this counter-hegemonic strategy, the proletariat would renounce the interests of the bourgeoisie and instead argue that their interests were in fact the in the interest of the majority and thus of the other social classes. Accepting this, other classes would consent to the social leadership of the proletariat and reject the supremacy of the minority bourgeoisie.<sup>36</sup>

Aside from Marxists, prominent contributions to the discussion of hegemony and global politics emerge from the neorealist school of international relations theory. Hegemonic stability

---

<sup>34</sup> Robert Bocock, *Hegemony* (New York: Tavistock Publications, 1986), 34-35.

<sup>35</sup> Bocock, *Hegemony*, 37.

<sup>36</sup> Fontana, "State and Society: The Concept of Hegemony in Gramsci," 40-41.

theory has been seen by some observers to be the gold standard for examining the relationship between a hegemonic power and the global system. The theory is also used to help explain the growth of international regimes and the trigger for hegemonic wars. The theory is most commonly attributed to Charles Kindleburger and was first dubbed hegemonic stability theory by Robert Keohane.<sup>3738</sup> Robert Gilpin is also regarded as a significant contributor to hegemonic stability theory with his discussion of hegemonic wars.

In *Political Economy of International Relations*, Robert Gilpin explains the basic assumptions of hegemonic stability theory (HST). According to HST, a strong and benevolent hegemonic state is necessary for the creation of stable international regimes. When a hegemonic power begins to decline, it may foretell a decline and collapse of that international regime. The theory posits that a liberal international economic order would be unable to flourish without the presence of a powerful hegemon to maintain and support that system.<sup>39</sup> If the hegemon does not commit itself to maintain a liberal international order, it may seek a more imperial system in which it seeks to maintain its preeminence through the domination of other actors. Gilpin identifies the Soviet Union as a state that had the capacity to become a hegemonic power, but which pursued a foreign policy of imperial dominance over its satellites.<sup>40</sup>

Gilpin argues that hegemonic stability theory has its origins in Thucydides' *History of the Peloponnesian War*. Thucydides was careful to distinguish the war between the Hellenic powers

---

<sup>37</sup> Robert Gilpin, *The Political Economy of International Relations* (Princeton: Princeton University Press, 1987), 72.

<sup>38</sup> Robert Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy* (Princeton: Princeton University Press, 1984), 12.

<sup>39</sup> Gilpin, *The Political Economy of International Relations*, 72.

<sup>40</sup> Ibid.

from other wars because it was the result of a change in the distribution of power in the international system, specifically, the growth of Athens's economy and navy.<sup>41</sup> The distribution of power among actors is a key element in hegemonic stability theory, as well as Organski's power transition theory and Mearsheimer's offensive realism.

Gilpin took hegemonic stability theory further with the development of his idea of hegemonic war. In his 1988 article "The Theory of Hegemonic War," Gilpin examined the argument and methodology of Thucydides in his explanation of the events leading up to and following the Peloponnesian war. Gilpin argues that the war described by Thucydides was a uniquely different conflict than other great power wars. Hegemonic wars, as he described them, were conflicts from which the victor would establish a new hegemonic order.<sup>42</sup> The process occurred when, in a hierarchical system dominated by a hegemonic actor, a challenger rose in power faster relative to the dominant actor. The international system would divide into a structure of bipolarity in which the dominant actor and its challenger and their respective allies would oppose each other until a spark ignited a war between the hegemon and its challenger. The victor of the war would then become the new hegemon and would establish a new international order based on its political, economic, and security interests.<sup>43</sup>

Hegemonic stability theory has been criticized as placing too much emphasis on the need of a dominant hegemon for the continuity and health of a liberal economic order. In *After Hegemony*, Robert Keohane argued that while a hegemon is necessary for the development of a hegemonic regime, the decline of a hegemonic state does not necessarily mean the global

---

<sup>41</sup> Robert Gilpin, "The Theory of Hegemonic War," *The MIT Press* 18, no. 4 (1988): 591.

<sup>42</sup> Gilpin, "The Theory of Hegemonic War," 592.

<sup>43</sup> *Ibid*, 592-593

order it had established would fall. Rather, global institutions and multilateral cooperation could maintain the existing system well beyond the decline and absence of the hegemon.<sup>44</sup>

Gilpin's theory of hegemonic war has also been criticized. One of the criticisms of the idea hegemonic war involves nuclear weapons. Gilpin himself brings this issue up in his article, claiming that "It is highly doubtful that a war between two nuclear powers could be limited and escalation into a full-scale war prevented. Nor is it likely that either protagonist could escape the terrible devastation of such a great war or find the consequences in any sense acceptable."<sup>45</sup> The criticism is that a potential modern hegemonic war would likely involve nuclear weapons and end up being so costly that such a war would become less likely.

Other theorists have tried to explain historical hegemonic relationships and power distributions. Long-cycle theory was primarily the product of George Modelski and was influenced by the arguments of Organski and power transition theory. In *Long Cycles in World Politics*, Modelski describes the international system in terms of a repetitive cycle of ascent and descent of a dominant power, major wars, and changes in international leadership. According to Modelski, scholars in international relations must take into account all of history in order to explain phenomena, not just recent events. Modelski argues that international relations and power diffusion are cyclical events within what he called the "global polity."<sup>46</sup> The global polity is the network of interactions that comprises the relationship between the leading power and any contenders. The global polity encompasses two separate actions, politicking and policy. Politicking entails competition for the position of leadership within a system; policy is

---

<sup>44</sup> Keohane, *After Hegemony*, 50.

<sup>45</sup> Gilpin, "The Theory of Hegemonic War," 611.

<sup>46</sup> George Modelski, *Long Cycles in World Politics* (Seattle: University of Washington Press, 1987), 7-8



the agenda and goals set by the leader of the system. The most influential actors in the global polity are the global powers, whose patterns of interaction structure the global polity.<sup>47</sup>

According to long cycle theory, the international system goes through several phases. The first is a global war owing to global order having been replaced with global disorder. Phase 2 occurs when a world power has emerged from phase 1 and establishes order under its leadership. Phase 3 is characterized by an erosion of the demand for leadership and security, resulting in a delegitimization of the leading power's role. Phase 4 is described as "deconcentrating," where disorder begins to spread as the world power's leadership is no longer required, which in turn leads back to phase 1 and global war.<sup>48</sup>

In his explanation Modelski states that explanations of hegemony and international relations that focus on the "aspects of supply side leadership" are conceptually flawed. He specifies that Immanuel Wallerstein's conception of hegemony as having preeminence in the production of agro-industrial and military power failed to take into account the demands of leadership that hegemons have to face in the world system.<sup>49</sup>

Influenced by Marx, Wallerstein's approach to studying international relations breaks with the traditional view of the sovereign state as the unit of analysis, but instead looks at the "world system." The world system he argues is comprised of smaller political subsystems, economic systems, and imperial systems. The current world system as he describes it is the capitalist world economy. This system is a large geographic zone within which there is a division

---

<sup>47</sup> Modelski, *Long Cycles in World Politics*, 9-10.

<sup>48</sup> Ibid, 30-31.

<sup>49</sup> Ibid, 17.

of labor and significant internal exchange of basic or essential goods as well as flows of capital and labor.

In world systems theory, a hegemonic state plays a similar role to the one described in hegemonic stability theory. The hegemon is an actor that has the capacity to create a system based on its political, economic, and security preferences. As Immanuel Wallerstein describes:

“...for a certain period they were able to establish the rules of the game in the interstate system, to dominate the world-economy (in production, commerce, and finance), to get their way politically with minimal use of military force (which however they had in goodly strength), and to formulate the cultural language with which one discussed the world.”<sup>50</sup>

According to Wallerstein, only three states have ever been able to establish hegemony, these include the United Provinces of the Netherlands in the 17<sup>th</sup> century, Great Britain in the middle of the 18<sup>th</sup> century, and the United States in the 20<sup>th</sup> century.

To Wallerstein, hegemony means having a comparative advantage in the most profitable modes of production. The state that is able to capture a largest share of the “core” and “periphery” divisions of labor is considered to have attained hegemony. The “core” refers to actors which have a strong means of production, while the “periphery” refers to actors with a weak means of production.<sup>51</sup> From its economic advantage, a hegemonic state can foster political influence and project military power.<sup>52</sup> Wallerstein breaks hegemony down into three stages. First, a state experiences success in the production of profitable consumer goods, for example the monopoly enjoyed by England in textile production in the early stages of

---

<sup>50</sup> Immanuel Wallerstein, *World Systems Analysis* (Durham: Duke University Press, 2004), 58.

<sup>51</sup> Wallerstein, *World Systems Analysis*, 30.

<sup>52</sup> Christopher Chase-Dunn et al., “The Trajectory of the United States in the World System: A Quantitative Reflection,” *Sociological Perspectives* 48, no. 2 (2005): 236.

industrialization. Second is success in the mass production of what Wallerstein calls capital goods. The third stage of hegemony is success in the financial sector and in foreign investments thanks to the hegemon's central place in the global economy and world-system.<sup>53</sup>

Another influential contribution to the hegemony literature came from A.F.K. Organski and his development of power transition theory (PTT), which explores the impact of changes in the distribution of actor capabilities on the global system. According to power transition theory, "Power, then, is the ability to influence the behavior of others in accordance with one's own ends"<sup>54</sup> Organski argues that the only way to identify a state's power relative to others is in hindsight. However, as stated earlier, he believes this does little to show us the current power hierarchy. Instead, he proposes looking at the resources of each actor relative to the others to estimate the current distribution of power. The differences in this distribution determines the structure of the international system and the way in which actors interact with one another.<sup>55</sup>

The global structure is a key concept in power transition theory. Like other neorealist theories, PTT suggests that the structure of the system has a great deal of influence on relations between actors. The most powerful state is considered the dominant state, and the relationship between this actor and the other members of the global system can change the latter's structure. Structure in this case is referring to the relationships between actors and the distribution of capabilities. Beneath the dominant power are the great powers, states which poses significant power and may be the dominant states in their regions, but which cannot yet challenge the position of the dominant state. Next come the middle powers followed by the

---

<sup>53</sup> Chase-Dunn, "The Trajectory of the United States in the World System," 236.

<sup>54</sup> Organski, *World Politics*, 104.

<sup>55</sup> Ibid, 122.

small powers. These states are continuing to industrialize and find that they generally benefit from the status quo.<sup>56</sup> At the bottom of the pyramid are the dependent states which oppose the power structure, but have no way of changing it.

The way power transition theory works is that states are said to undergo a transition from pre-industrialized societies to fully industrialized ones. Said industrialization results in radical increases in state power beyond on the basic determinants of power such as territory and population. The three stages of this transformation are (1) potential power, (2) transitional growth in power, and (3) power maturity.<sup>57</sup> Organski argues that the world is experiencing the second stage of power transition because, while most countries have industrialized, there are many that remain pre-industrialized. Once the industrial playing field is level and the world enters the third stage, new major powers will emerge, and new theories will be required.<sup>58</sup> Because states have not industrialized at the same time or the same rate, power has been unevenly distributed among them. When states go through industrialization, they have a “sprint” of power growth. This sprint allows some to challenge the dominant actor in the system and seek to assume the mantle for themselves.

The current stage of the power transition cycle has been greatly impacted by two major factors. First, there have been major shifts in the distribution of power. With actors at varying stages of industrialization and populations continuing to migrate, power has shifted across the spectrum and the position of dominant power has been occupied by several different actors.

---

<sup>56</sup> Organski, *World Politics*, 368.

<sup>57</sup> Ibid, 340-344.

<sup>58</sup> Ibid, 344.

These shifts in power are the primary causes of what Gilpin would describe as the hegemonic wars of the eighteenth, nineteenth, and twentieth centuries.<sup>59</sup>

The second major characteristic of the second stage is that of an international order. With industrialization has come closer economic and diplomatic interdependence among states. Transnational companies now access resources in foreign countries that were previously unobtainable by their state, and which accelerate faster economic growth. Military ties have also been altered owing to the changing nature of industrialized warfare. Powerful European nations such as the United Kingdom, which had previously been the system's dominant power, have heavily relied on the United States for protection.<sup>60</sup>

According to Organski, major wars occur when the dominant power in a system is challenged by a dissatisfied great power whose relative level of power is catching up to that of the dominant state. It is again important to point out that the concept of power in power transition theory is a *relative* term. A state by itself cannot be considered powerful, weak, or dominant by looking at its capabilities alone. Power can only be judged when comparing it to that of another actor. With this in mind, the level of power for a rising great power to be considered a challenger to the dominant power is said by Tammen et al. to be a level relative to eighty percent of the dominant state's power.<sup>61</sup>

Hegemony, or the presence of a dominant state, has major consequences for the global system by facilitating the safest international environment because a single power has the

---

<sup>59</sup> Ronald Tammen et al., *Power Transitions: Strategies for the 21st Century* (New York: Seven Bridges Press LLC., 2000), 23-25.

<sup>60</sup> Organski, *World Politics*, 347.

<sup>61</sup> Tammen, *Power Transitions*, 7.

capability to maintain peace and order. By using its power to reward, compel, or punish other members of a system, the hegemon prevents instability and conflict. The unipolar structure, according to power transition theory, is the most stable structural condition of the global system.

However, another prominent realist gainsays this argument, John Mearsheimer, who believes that bipolarity is the most stable structure.<sup>62</sup> While explaining his theory behind offensive realism, Mearsheimer argued that all states seek to maximize their power relative to one another with the eventual goal of becoming the hegemon. A hegemon he argues is a “great power with so much actual military capability and so much potential power that it stands a good chance of dominating and controlling all other great powers in its region of the world.”<sup>63</sup> However, Mearsheimer argues that no state has ever managed to become so dominant as to be considered a global hegemon. Rather, he contends that the most powerful states in history, including the contemporary United States, have only managed to become regional hegemons. Regional hegemons are different from global ones in that they are unable to dominate great powers outside of their region. Brazil, for example, would be considered a regional hegemon in South America.<sup>64</sup>

Mearsheimer has been criticized for his emphasis on military capability and the role of conflict in his view of international relations. It has been argued that power and the global system are complex than the simplified belief that international relations hinges on fear and

---

<sup>62</sup> John Mearsheimer, *The Tragedy of Great Power Politics*. (New York: W.W. Norton & Company, 2001), 336.

<sup>63</sup> Mearsheimer, *The Tragedy of Great Power Politics*, 44-45.

<sup>64</sup> Mearsheimer, *The Tragedy of Great Power Politics*, 41

conflict.<sup>65</sup> His contention that it is impossible for a state to become a global hegemon has also been called into question.<sup>66</sup> While it is true that a state like Germany or China could not invade North America, the United States could potentially invade any country thanks to its ability to project power.

### **Domination vs Leadership**

An interesting and reoccurring distinction that emerged from the literature was that between hegemony and imperialism. Hegemony, Snyder contends, is distinct from imperialism in which a dominant state simply imposes its will on the lesser states.<sup>67</sup> Hegemony by contrast hinged on the hegemon being able to lead the other states in the system. This leadership implied that the other states consented to the hegemon assuming a position of leadership, in usually because it provided them with public goods in the form of economic or security benefits.

Gramsci was clear in making a distinction between domination and leadership when describing his theories of social hegemony. As we have seen, Gramsci contended that in order to attain hegemony it was not enough to simply control the means of coercion or production. A class also had to get the consent and support of the other subgroups. To do this they needed these other groups to see the dominant class's interests as their own, and thus giving it consent to lead. This requirement of consent meant that Gramsci believed that hegemony meant a form of leadership, not just coercive domination.<sup>68</sup>

---

<sup>65</sup> Jack Snyder, "Myths of Empire and Strategies of Hegemony," In *Lessons of Empire: Imperial Histories and American Power*, ed. Craig Calhoun, Frederick Cooper, and Kevin W. Moore (New York: The New Press, 2006), 270.

<sup>66</sup> Christopher Layne, "Impotent Power? Re-examining the Nature of America's Hegemonic Power." *National Interest*, no. 85 (2006): 42.

<sup>67</sup> Snyder, *The Myths of Empire and Strategies of Hegemony*, 269.

<sup>68</sup> Boccock, *Hegemony*, 37.

George Modelski in his book describing long cycle theory also identified hegemony as a form of leadership. After describing hegemony as distinct from domination, he chose to refer to hegemony as leadership for the remainder of his book.<sup>69</sup> Mearsheimer, however, regards the two as synonymous, “Hegemony means domination of the system, which is usually interpreted to mean the entire world.”<sup>70</sup>

This distinction has important implications for the formation of American foreign policy and grand strategy. The United States has traditionally claimed the moral high road, asserting that it does not coerce other countries to do its bidding. Because consent is a key component hegemony, the U.S. must be careful not to become overly aggressive when trying to achieve its goals.

### **Past Hegemons**

A common method for studying hegemony has been to review past examples of states that became hegemonic powers. However, there is debate about which past states should be considered hegemons or just powerful empires. Christopher Chase-Dunn has argued that only three actors could be considered hegemons since the beginning of the modern world-system; the United Provinces in 17<sup>th</sup> century, the United Kingdom in mid-18<sup>th</sup> Century, and the United States in mid-20<sup>th</sup> century.<sup>71</sup> Authors like John Mearsheimer argue that no state has ever achieved global hegemony, but that a few have achieved regional hegemony only.<sup>72</sup>

---

<sup>69</sup> Modelski, *Long Cycles in World Politics*, 18.

<sup>70</sup> Mearsheimer, *The Tragedy of Great Power Politics*, 40.

<sup>71</sup> Christopher Chase-Dunn et al., “Last of the Hegemons: U.S. Decline and Global Governance,” *International Review of Modern Sociology* 37, no. 1 (2011): 1.

<sup>72</sup> Mearsheimer, *The Tragedy of Great Power Politics*, 41.



## **U.S. Hegemony**

American hegemony, or at least the pursuit of it, is not new. The Monroe Doctrine effectively declared the Western hemisphere to be the territory of the United States and was meant to establish the U.S. as a regional hegemon by threatening European powers against further western colonization. Even during the years in which isolationism was the prevailing policy, the United States sought to increase its power through imperial economic policies and territorial expansion such as the annexation of Hawaii, the Philippines, and of Cuba. It is widely agreed that American hegemony began in some form after the Second World War. At the end of the war, the industrialized nations of Europe were in ruins. Entire cities were flattened, and millions of people lost their lives. Six years of devastating war resulted in the industries and economies of the great powers of Western Europe to be laid to waste. The Soviet Union and the nations of Eastern Europe faced similar physical devastation and suffered millions of casualties with additional millions displaced. It would take years and billions of dollars for Europe to rebuild.<sup>73</sup>

By contrast, the United States emerged from the Second World War more powerful than it had ever been. Shielded from the devastating conflict by its geographic location between two oceans, the United States was spared becoming a battleground during the war. With the exception of the attacks on the Aleutians and Pearl Harbor, the United States military infrastructure and industry suffered little damage or as a result of the conflict. Instead, a vast manufacturing giant had emerged with a thriving financial sector that allowed the it to fund the

---

<sup>73</sup> Zbigniew Brzezinski, *Strategic Vision: America and the Crisis of Global Power* (New York: Basic Books, 2012), 11-12.

reconstruction of Europe with the Marshall Plan. Factories that had previously produced weapons and equipment for the war effort began to produce steel, cars, and consumer goods.<sup>74</sup>

The countries of Western Europe were willing to allow the United States to assume a leadership role following the war as they needed American aid to rebuild and protection then from the threat of Soviet expansion. U.S. power helped increase European security and achieve regional recovery.<sup>75</sup> This new leadership role allowed the United States to establish a sort of new world order, setting up numerous international and supranational institutions that would afford the United States major influence in the global conduct of international relations. The establishment of the United Nations as a successor to the League of Nations gave the United States considerable influence in establishing global norms and practices. Economic institutions such as the World Bank and the International Monetary Fund allowed the United States to establish global economic and financial norms and practices. NATO became a military alliance centered on the United States power. The economic and military preeminence of the U.S. meant that it almost immediately took the role of leader of the postwar Western world.

Others have argued that the United States achieved hegemony in the latter half of the century. In 1991 the global balance of power was shaken up with the geopolitical equivalence of a 9.0 earthquake. The Soviet Union, which for nearly five decades had balanced against the United States, collapsed. The fall of the Soviet Union meant that the United States was peerless in the global balance of power. In the unipolar years following the Cold War, the United States

---

<sup>74</sup> Brzezinski, *Strategic Vision*, 13.

<sup>75</sup> John Ikenberry, "The Future of the Liberal World Order: Internationalism After America." *Foreign Affairs* 90, no.3 (2011): 60.

had achieved global hegemony, notwithstanding Mearsheimer's criteria that no actor has ever been able to achieve a level of global hegemony.<sup>76</sup>

Others have argued that American hegemony is not in jeopardy at present because it was not a hegemon to begin with. Ian Clark argues that hegemony is not a matter of material dominance, but of perceptions of a state as a legitimate leader of an international society. According to his interpretation of social theories of hegemony, America has not had the consent and approval of the other states in the system and thus has not been a hegemon.<sup>77</sup>

American hegemony has been viewed as declining at several times since its rise to preeminence in the postwar world including the perceived missile gap in the 1960s and the controversial outcome of the Vietnam War in the 1970s. During the 1980s, rapid growth in the Japanese economy again raised speculation that the United States was in decline. However, all of these predictions proved to be largely exaggerated. The most recent claim of American decline stems from the 2007-2009 financial crisis.<sup>78</sup> A combination of slow economic recovery, a resurgent and aggressive Russia, the rise of global instability, and an increasingly assertive China, led to a new wave of declinists claiming that the global balance of power has shifted away from the American centered model.

---

<sup>76</sup> Mearsheimer, *The Tragedy of Great Power Politics*, 41.

<sup>77</sup> Ian Clark, "Bringing Hegemony Back in: The United States and International Order," *International Affairs* 85, no.1 (2009): 24-25.

<sup>78</sup> Joseph S. Nye, *The Future of Power*. (New York: Public Affairs, 2011), 195.

## Liberal Hegemonic Order

The creation of a new world order by a state with predominant capabilities is an idea shared by hegemonic stability theorists, long cycle theorists, and power transition theorists.<sup>79</sup> In the Years following World War 2, the United States established such an order with the signing of the Brenton Woods Agreements and the establishment of the International Monetary Fund, World Bank, General Agreement on Trade and Tariffs, and the United Nations.<sup>80</sup> In the 1990s the World Trade Organization was established to act as a supranational institution to replace the GATT meant to settle trade disputes and foster more liberal practices of international trade. If the United States has experienced a relative decline, then what should follow is a weakening of this liberal world order. In the words of Robert Gilpin “The hegemonic power is both able and willing to establish and maintain the norms and rules of a liberal economic order, and with its decline the liberal economic order is greatly weakened.”<sup>81</sup>

Establishing and maintaining what John Ikenberry calls a “liberal international order,” sometimes referred to as the liberal hegemonic order, has been a central policy goal for the United States since the end of World War 2.<sup>82</sup> The Establishment of GATT to facilitate trade openness and the Brenton Woods agreements’ goal of managing financial policy were key to this policy. In addition, the Marshal Plan sought to rebuild the economies that had been decimated by conflict by providing money in exchange for deregulation, lowering of trade barriers, and increased production. NATO was established to ensure peace and deter

---

<sup>79</sup> Thomas J. Volgy, Kieth A. Grant, and Elizabeth Fausett, “Searching for Changing Global Transition: Where is the Post-Cold War Order,” in *Systemic Transitions: Past, Present, and Future*, ed. William R. Thompson (New York: Palgrave Macmillan, 2009), 102.

<sup>80</sup> Ikenberry, “The Future of the Liberal World Order,” 60.

<sup>81</sup> Gilpin, *The Political Economy of International Relations*, 72.

<sup>82</sup> Ikenberry, “The Future of the Liberal World Order,” 57.

aggression by the Soviet Union and any other aggressor threatening to upend the system. After the Cold War ended, American leaders sought to extend the liberal international order into previously unreachable territories.<sup>83</sup> Evidence of this initiative include the expansion of NATO into Eastern Europe, admission of China into the World Trade Organization and the liberal economic policies imposed on them as conditions of admission, and the multiple attempts to replace authoritarian regimes in Africa and the Middle East with Western style democracies.

In a statement on February 19, 2017 the Russian Foreign Minister Sergei Lavrov called for the creation of a “post-West world order.” He also claimed that NATO, one of the hallmarks of American Western hegemony, was a relic of the Cold War.<sup>84</sup> This desire for a new world order is shared by many who decry globalism and the liberal economic order established by the United States. The liberal world order is one of the cornerstones of American hegemony and is characterized by economic openness, promotion of human rights, democratization, and international relations governed by rule-based systems.<sup>85</sup>

Some scholars argue that the liberal world order will not erode because there is no liberal world order. According to Volgy, Grant, and Faussett, the United States failed to establish an international system of rules and norms because it lacked the structural strength to establish a new world order consistent with its policy preferences, despite its material predominance. More specifically, the authors argue that the United States had no clear policy preferences in the Cold War and that the United States was not strong enough in terms of

---

<sup>83</sup> Ikenberry, “The Future of the Liberal World Order,” 60.

<sup>84</sup> Associated Press, “Russia Wants ‘Pragmatic’ Ties with US and a ‘Post-West World Order’” *New York Post*, February 18, 2017, <http://nypost.com/2017/02/18/russia-wants-pragmatic-relations-with-us/>

<sup>85</sup> Ikenberry, “The Future of the Liberal World Order,” 56.

economic or military capacity to establish or maintain a new order globally over the long term.<sup>86</sup>

Other researchers have argued that even if the United States were to fall from its position of power preeminence, the liberal world order would remain unchanged. In his article *The Future of the Liberal World Order*, John Ikenberry argues that the liberal world order is here to stay because there is not a system ready to replace it, should the United States recede as the hegemonic state. He argues that China, the most likely challenger, has risen in power largely thanks to the international order and that it will seek to continue that order from a new position of authority.<sup>87</sup>

Charles Kupchan counters this argument by claiming that the current absence of a replacement system does not guarantee that one could not be established with the rise of a new hegemonic power. All rising great powers will try and establish a new world order based on their own norms and preferences as the old order destabilizes.<sup>88</sup> His research on the normative aspects of hegemony demonstrates that as the power gap between a hegemonic state and a rising challenger narrows, a competition between the two state's norms and values ensues.<sup>89</sup>

## Challengers

While the specific arguments of the literature differ from source to source, one of the few areas where most research converge is the perception of China as being the most likely

---

<sup>86</sup> Volgy, "Searching for Changing Global Transition: Where is the Post-Cold War Order," 106.

<sup>87</sup> Ikenberry, "The Future of the Liberal World Order," 63-65.

<sup>88</sup> Charles Kupchan, "The Normative Foundations of Hegemony and The Coming Challenge to Pax Americana," *Security Studies* 23, no.2 (2014): 220.

<sup>89</sup> Kupchan, "The Normative Foundations of Hegemony," 252.

contender to replace the United States as the hegemonic power. Years of double digit economic growth and rapid advancement in military modernization has led many to believe that China is destined to reassume its historical position as the most powerful country in the world.<sup>90</sup>

Arguments have also been made that a challenge could come from a familiar adversary. In the past three years Russia has emerged as a regional power determined to regain its Cold War position of power and influence. They're hindered by an economy dependent on oil and natural gas and their government is rampant with fraud and corruption.<sup>91</sup> Their military intervention into Ukraine and annexation of the Crimean Peninsula sent shockwaves through the world and caused many in the media and politics to wonder if we are on the verge of a new Cold War. While Russia does not approach the capabilities that the United States possesses, or even the former Soviet Union, they have successfully used their economic and military power to achieve several key foreign policy goals.<sup>92</sup>

Another potential hegemonic power in the making commonly mentioned is Europe. While not a single state, a Europe that could unify into a single geopolitical body would be an easy match for American preeminence; in some areas a European superpower would even surpass the United States. The concept of a united Europe is not a new phenomenon; following World War 2 there was a prominent call for a unified European polity in order to avoid a future conflict. Winston Churchill referred to this idea of a European superpower as the "United States of Europe." While a European super-state would match the United States' power in multiple

---

<sup>90</sup> Joseph Nye, *Is the American Century Over?* (Cambridge: Polity Press, 2015), 48.

<sup>91</sup> Ibid, 33-34.

<sup>92</sup> Ibid 36-38.

categories, the reality is that Churchill's USE is far from becoming a reality, and is indeed moved further from the realm of possibility in recent years.<sup>93</sup> The exit of Great Britain from the European Union and prevailing issues such as economic slowdown and the rising popularity of nationalism have largely removed Europe from the minds of many as a challenger in the near future.

---

<sup>93</sup> Nye, *The Future of Power*, 158-159.



## CHAPTER 3. THEORY

### Theoretical Framework

As my literature review demonstrates, there are numerous ways to approach the concept of hegemony. However, hegemonic stability theory most accurately applies to the current world system. To briefly reiterate, the theory of hegemonic stability contends that the existence of a single powerful state will facilitate a peaceful global system and the establishment of a liberal economic order.<sup>94</sup> The United States established a multi-regional hegemony in the western hemisphere as well as parts of Europe and Asia following World War II. As the hegemonic power, it established a liberal economic order within its sphere of influence, spurned the establishment of democratic governments in the place of formally fascist regimes, and ensured the safety and security of all actors within its sphere. Following the end of the Cold War, the United States expanded its sphere of influence and the liberal world order to regions previously under Soviet control. American hegemony is so pervasive in global politics that the term “the west” has come to refer to the United States rather than other western actors.

Hegemonic stability theory (HST), contends that the decline of a hegemon would bring about the decline of the world order the hegemon had established.<sup>95</sup> If the power gap between the United States and its challengers has begun to shrink, then the liberal world order which the U.S. seeks to maintain would erode away in favor of more anarchic power politics in which

---

<sup>94</sup> Gilpin, *The Political Economy of International Relations*, 72.

<sup>95</sup> Ibid.

actors seek to maximize their own power and new powerful states attempt to establish their own world order.

My thesis utilized HST by arguing that the rise in power of potential challengers and the narrowing of the power gap between those challengers and the United States is caused decline of the liberal world order. The presence of what I will from here on refer to as a legitimate challenger will cause the world order established by the hegemon to erode as the hegemon is no longer able or willing to maintain it, and as the challenger seeks to establish its own order. When the power gap is larger, weaker states will be more inclined to work with the hegemon, or at least avoid working against it. But as the gap narrows, powerful actors may feel like taking advantage of their new position to increase their own influence and power. In some cases, such as Ukraine for example, this may come at a price to less powerful actors. If the hegemon is unable to respond to the actions of the challengers, then it would signal to the weaker states that they can no longer rely on the hegemony for physical protection, or for protection of the rules of the system. Similarly, it may drive some actors to “join sides” with the challenger.

### **Hegemon**

My review of the existing literature has revealed that while the definitions and conceptualizations of hegemony are diverse, there are several key assumptions shared by most theories. First is the agreement that a hegemon is an actor who holds a significant material advantage over the other actors in the system.<sup>96</sup> In order for a state to become a hegemon it must have the capability to provide benefits for those within its sphere of influence, and to

---

<sup>96</sup> Adam Watson, *Hegemony and History* (New York: Routledge, 2007), 80.

protect the international order which it establishes from potential challengers. More militaristic views of hegemony such as those of John Mearsheimer contend that a hegemon must have the ability to defeat any other actor within a system in an armed conflict.<sup>97</sup> For an actor to have the ability to establish an international order and defend it from challengers would all but require that state to have predominance in power capabilities. A hegemon will use its predominance in capability to establish the rules of the international system in the form of institutions and norms based on the hegemon's values and national interest through international institutions and the impression of policy preferences on weaker actors.<sup>98</sup>

A second shared idea is that there is an important distinction between a hegemonic and an imperial actor. "Today, 'hegemony' is often used to describe coercive and illegitimate forms of power. The original concept was, however, significantly different – and legitimacy was central to it."<sup>99</sup> It is argued that a hegemonic state is different from a powerful imperial state in that it does not dominate other states through oppression or direct control. Rather, a hegemonic state seeks to lead subordinate actors through the promise of protection and reward. A hegemon will assume responsibilities and costs from subordinate state, who in turn surrender some of their political autonomy. Much like the control of the elite over the proletariat described by Gramsci, the hegemon will try to make the weaker state in the system adopt its national interests as their own.<sup>100</sup> While this distinction is seen as important by several scholars, as I discussed in my review of previous literature, there are circumstances in which a

---

<sup>97</sup> Mearsheimer, *The Tragedy of Great Power Politics*, 40.

<sup>98</sup> Gilpin, *The Political Economy of International Relations*, 72.

<sup>99</sup> Smith, *Power in the Changing Global Order*, 29.

<sup>100</sup> Fontana, "State and Society," 29-30.

world power may act belligerent, but may establish a hegemony in the wake of its conquest. Ancient Rome and colonial Great Britain are perfect examples of this scenario.

Taking into consideration these important distinctions and concepts, for the purpose of my thesis, I will define a hegemon as a state which possesses a predominance of power resources thus allowing it to underwrite the rules and norms of a global order with the consent of other actors, be that system regional or global. This definition would combine the material-focused definitions of hegemony such as those used by John Mearsheimer with the social conceptualizations set forward by Antonio Gramsci, Ian Clark, and others. Additionally, this definition conforms with the central themes of hegemonic stability theory by fulfilling the requirements of the framework of the existence of a single powerful actor, which has the capability of establishing and maintaining a liberal hegemonic order.

When authors refer to the decline of a hegemon, it is important to distinguish what exactly is meant by the phrase decline. Relative decline refers to a situation in which actor A is rising in power faster than actor B, and so the gap between actor B and actor A shrinks. While relative decline occurs when one actor is growing slower than the other, absolute decline occurs when an actor sees its power decrease in absolute terms independently from any other actor.<sup>101</sup>

## **Power**

The concept of power is a central pillar to hegemonic stability theory as well as my definition of a hegemon. For my thesis, I define power as any person(s) or object(s) or

---

<sup>101</sup> Nye, *Is the American Century Over?* 20-22.

medium(s) that can contribute to the ability of an actor to change the behavior of another actor. My analysis will look at the two categories of power put forward by Joseph Nye, hard power and soft power. The distinction between hard power and soft power is an important one, especially when studying the concept of hegemony. The hegemon operates with the consent of the weaker actors in the system. This consent is largely derived from the perception that the hegemon is acting rightfully and that the interests of the weaker actors coincide with the interests of the hegemon. To achieve this level of consent and political influence, the hegemon needs more than just weapons and money; tools that would be more useful to an actor seeking to dominate its neighbors by force.

### **Challenger**

The rise of another actor or the stagnation of the capabilities of an existing hegemon arouses an important question; at what point does a rising actor become something more than another member of the global community and begin to threaten the established hierarchy. There are surprisingly little answers to be had on this particular question. Most theories, including hegemonic stability theory, see the rise of a challenger culminate in a conflict for the position of hegemon. However, prior to the outbreak of a hegemonic war, there is sure to be friction between the existing hegemon and the potential challenger as the hegemon seeks to maintain its preeminence. Similarly, the rising challenger will seek to better its position and use its capabilities to establish its own sphere of influence.

A challenger is more than just an actor that sees an increase in its capabilities. Power is constantly shifting each day as economies interact and global events unfold. In order to determine if the United States is indeed facing a challenge to its hegemony, there must be a

way to identify when an actor has reached a position in which it is able to challenge the hegemon's authority. This would require the challenger to have the ability to resist attempts by the hegemon to punish the challenger and have the ability to establish and maintain a counter-hegemonic order. In describing the core elements of power transition theory, Ronald Tammen et. al. identified a threshold originally chosen by Organski equating to a relative level of eighty percent of the hegemon's capabilities.<sup>102</sup> To possess relative capabilities, equal to eighty percent of the hegemon, would allow a challenger to resist attempts by the hegemon to curb their rise. It would also allow for that actor to begin to establish a sphere of influence of its own, within its own region, with new rules and norms.

### **Hegemonic Order.**

According to the theory of hegemonic stability theory, the dominance of a single hegemonic state is necessary for the establishment of a liberal economic world order. This world order would be maintained by the hegemon which would accept certain responsibilities and provide certain benefits to the weaker actors in the system. Those actors would consent to the hegemon's leadership and surrender some political autonomy thus giving this world order legitimacy.<sup>103</sup> Should the hegemon decline and a new state rise to challenge its preeminence, then the rising state will seek to change the status quo and establish its own hegemonic order based on its own rules and norms.<sup>104</sup> Following a conflict in which a hegemon is replaced by the rising challenger as the dominant state in the system, a new world order is established.

---

<sup>102</sup> Tammen, *Power Transitions*, pp.7

<sup>103</sup> Gilpin, *The Political Economy of International Relations*, pp.72

<sup>104</sup> Charles Kupchan, "The Normative Foundations of Hegemony and The Coming Challenge to Pax Americana." *Security Studies* 23, no.2 (May 2014), 219-257. pp.220

Some authors have argued that a decline of a dominant power does not necessarily mean that the international order they established will destabilize. As stated in my literature review, one of the most widely cited authors to hold this view is John Ikenberry. He argues that rising powers, including potential challengers to a hegemon, have benefited from what he calls the “liberal hegemonic order,” and will seek to rise within it rather than replace it. This is commonly referred to as the “socialization” hypothesis; the notion that rising states will seek to cooperate within the system rather than supplant it with one of their own design.<sup>105</sup>

I disagree with the socialization hypothesis for two reasons. First, while I agree that states seek to advance their national interests in terms of power, they may do so in different ways. A perfect example of this issue can be seen today with the rise of China and the potential challenge to the United States. The U.S. enjoys a free-market economic system and seeks to spread the ideals of democracy and freedom beyond its borders. China by contrast has a very state-centric economic structure and has been able to resist democratic change within its government for decades to the astonishment of political scientists and policy makers. To believe that a rising challenger such as China would adopt the position of leader of global political-economic order which contradicts its own policy preferences and domestic structure is a bridge too far.

Furthermore, I argue that developing economies have already begun to lay the groundwork for new regional economic orders with the establishment of the Asian Infrastructure Investment Bank (AIIB) by China and the creation of the New Development Bank

---

<sup>105</sup> Sevasti-Eleni Vezirgiannidou, “The United States and Rising Powers in a Post-Hegemonic Global Order,” *International Affairs* 89, no.3 (May 2013). 635-631.

by the five BRICS nations. China has also constructed military installations on several artificial islands allowing it to dominate valuable resource deposits and reach its military arm across several major sea trade routes in the region and has opened its first overseas military installation in Djibouti.



## **CHAPTER 4. METHODOLOGY AND RESEARCH DESIGN**

### **Research Design**

Comparing cross national time series data on fifteen metrics of soft and hard power will allow me to observe any relative decline in U.S. power capabilities. By using the eighty percent threshold first identified by Organski and later used by Tammen, I will be able to see if either China or Russia have crossed that line to be considered legitimate challengers in each power metric.<sup>106</sup> If a state can be considered a legitimate challenger to American power in a majority of the chosen metrics, then that actor would be considered a hegemonic challenger rather than just rising great power. After an examination of the relative power capabilities of the hegemon and its potential challengers, I will then examine indicators representing three core tenets of the liberal world order which the United States established and maintained for decades to determine whether that order is beginning to erode as hegemonic stability theory predicts it would.

### **Power Capabilities**

After my review of the literature, I have found many efforts towards operationalization of power to include observations of only a few variables. Some authors feel it is sufficient to only look at single metric of economic strength of a country by examining GDP or GNP, while others focus solely on military capacity. Other authors create more inclusive measures of state power that incorporate economic, military, and political resources. In my data set I intend to include economic, military, political, cultural, and technological variables. I acknowledge that no

---

<sup>106</sup> Tammen, *Power Transitions*, pp.21

dataset can include every source of state power, but I hope to create one that will most accurately reflect the relative distribution of capabilities.

Operationalizing power is an extremely complex task because nearly everything can provide a state with some measure of power. As Charles Schleicher describes it, “Of what is power composed? Almost all of the resources of a nation – men, machines, money, natural resources – enter into its power potential, although most of these can be used for cooperation as well as conflict.”<sup>107</sup> The constant development of new technologies and the lightning fast pace of the modern global economy means that new elements of power are being created constantly. Information gathering necessary for conflict as well as bargaining, which formerly required a great deal of manpower, skill, and time can now be done from a laptop on the other side of the planet. Technology that was once commonly found in remote control children’s toys is now being used to guide high-tech military drones. Any measure of power will be incomplete or soon outdated, but this does not reduce the importance or usefulness of the concept. Observing an approximate distribution of power can help us to estimate which actor would be successful in a potential dispute. It can also help us to understand relationships of the international system and why actors react differently to one another.

### **Hard Power**

The variables I will include in my dataset will capture both of Nye’s concepts of hard and soft power state capabilities. For hard power capabilities, I will include GDP, population,

---

<sup>107</sup> Schleicher, *Introduction to International Relations*, pp.87

military spending, military manpower, number of active naval vessels, iron production, steel production, petroleum production, primary energy consumption, and research and development spending. While there are other resources that could be included, I believe these to be the most pertinent to this study.

A state cannot function efficiently without a stable economy that allows it to collect taxes, provide public goods, and fund its military. While not yet the most important determinant of state capabilities, it is nonetheless a vital element that must be taken into consideration when attempting to measure state power. In measuring a state's economic wealth, some authors have chosen to use gross national product (GNP) since it includes the product of domestically based companies and persons working outside of the United States. John Mearsheimer used GNP since it provided a picture what he referred to as latent economic power; the "mobilizable" wealth of a state.<sup>108</sup> Other authors have chosen to use gross domestic product (GDP) to determine economic power.<sup>109</sup> For my thesis I will be using gross domestic product. Using GDP will allow for a more accurate measure of economic growth and production because it includes all production and business occurring in the United States and not just that which is done by U.S. citizens and companies. Wealth produced by Americans outside of the United States may not be useable in a time of crisis. It was for this reason that the United States Department of Commerce Bureau of Economic Analysis switched from using

---

<sup>108</sup> Mearsheimer, *The Tragedy of Great Power Politics*, pp.62

<sup>109</sup> Nye, *Is the American Century Over?*

GNP to using GDP in August of 1991.<sup>110</sup> GDP data is published by the World Bank and is recorded in billions of dollars.

Some authors have focused on the wealth of a state to act as a proxy for the overall power of a state. This can be an ineffective way to judge power for several reasons. First, not all wealthy nations are powerful; Qatar for example has a GDP (PPP) per capita more than twice that of the United States.<sup>111</sup> Similarly, some poorer states may be able to achieve greater success in their goals than more powerful nations. North Vietnam for example had an economy that could not hope to compare to that of the United States, and yet they were able to wage an ultimately successful war against the U.S. and its South Vietnamese ally.

An actor's industrial capacity is another important pillar of its power. Production of key resources allows a state to produce profitable goods, attract foreign investment, build a modern infrastructure, and maintain a strong military that can project power beyond its borders. While there are literally thousands of different individual products of industrialization that could be included in measuring an actor's industrial capacity, I will be using four that I feel to be most useful. These include iron production, steel production, petroleum production, and energy consumption. Iron and steel are used in the construction of infrastructure projects, factories, industrial as well as consumer goods, and the manufacture of weapons and military systems. Data for iron and steel production will be drawn from United States Geological Survey and are recorded in millions of metric tons.

---

<sup>110</sup> "Survey of Current Business." Washington D.C.: United States Department of Commerce/Bureau of Economic Analysis. (1991)

<sup>111</sup> "The World Fact Book: Middle East: Qatar." *CIA.com*, accessed June 15, 2017.  
<https://www.cia.gov/library/publications/the-world-factbook/geos/qa.html>

Petroleum is vital for electrical power, manufacture of goods, and fueling vehicles and aircraft. Without a steady production or import of oil economies can be incapacitated and militaries can be hamstrung. Need for oil can also drive an actor to adopt aggressive trade and foreign policies. A perfect example of this can be seen in history in the time leading up to, and before the conclusions of, World War 2. Japan lost its supply of oil when the United States cut it off, driving Japan to seek sources elsewhere and attack the U.S. Similarly, the German military found itself rendered vulnerable and impotent when its mechanized forces began running out of fuel. Data on fuel consumption is found in the databases of the Energy Information Administration, and is measured as the average barrels of oil produced in a single day in a given year.

Primary energy consumption is a measure commonly used by economists to measure the total energy demand of an actor prior to that energy source being converted to usable energy. This allows us to see the total amount of energy used, not just the amount burned. Higher levels of primary energy use reflect how developed and industrialized an economy is. Primary energy data is published by the Energy Information Administration and is measured in quadrillion BTU.

Arguably the most important resource for state power is the population of a country. At the most basic level a large population will provide a large labor force and an ample recruitment pool for the military.<sup>112</sup> A large population can also contribute to a larger skilled workforce, higher tax gross tax revenues, and provides a latent economic power that can be mobilized through effective economic development. Population is also one of the few variables

---

<sup>112</sup> Organski, *World Politics*, 144-145.

of national power that are not subject to sudden rapid change. Growth rates of a population can also provide a glimpse of the future potential power of developing states. Developed and industrialized states do not see a great deal of population expansion outside of mass immigration. Some developed economies such as Italy and Japan are even experiencing a decline in their populations. Developing countries on the other hand will see rapid population expansion as their fertility rates remain high. As these economies continue to develop and modernize and the average wealth per capita continues to rise, their growth rates will begin to decline. The United States, it is argued, cannot remain the preeminent power because it faces challenges from nations such as China and eventually India, both of which individually have populations four times larger than the United States. Data on population size is taken from the World Bank Database and is measured in individuals.

While interstate conflict had nearly vanished since the end of the Cold War, military power still allows a state to protect its national interest and deter aggression. A hegemonic power will be a state that has the ability to enforce the rules and protect the order it establishes. If a state cannot project military power, then it cannot maintain hegemony. Military spending will act as a proxy measure for the quality of a state's military by demonstrating how much resources an actor dedicates to its armed forces. Military spending data is gathered every year by the Stockholm International Peace Research Institute (SPIRI) and is recorded in U.S. dollars.

Military manpower will provide a measure for the approximate size of a military. Additional analysis of a state's military, looking at the number of aircraft, armored vehicles, and missile systems a country possesses, could arguably provide a more detailed look at military

capacity. However, individual weapon systems and military programs are often designed for specific tasks and missions such as anti-terrorism operations or area specific deterrence. So, for the purpose of this thesis, I feel using military expenditures and manpower will provide a sufficient approximation of a state's overall military capacity. Military personnel data is gathered from the World Bank Database and is measured in individuals.

One additional measurement used by George Modelski and AFK Organski to judge military capability which I will also be using is naval strength.<sup>113</sup> A large navy allows a state to project power beyond its borders, and even beyond its hemisphere. Naval power is necessary to allow a state to protect or cut trade routes, blockade foreign coastlines, and land invasion forces on foreign soil. A powerful state without a strong navy may become a regional hegemon, but it cannot become a global hegemonic power. Time series data on naval capacity is not available for China or Russia, and very little data could be found on the U.S. Due to this data limitation, I will be looking at data presented by *Global Firepower* on 2016 naval capacity.

My last variable that could well be considered both a contributor to hard power as well as soft power is in technological development. New technology such as the internet has allowed for revolutions in the way economies conduct business, scientific communities conduct research, and militaries carry out missions. New advancements in technology can have a profound effect on the ability of a state to project power abroad. The best example would be the Stuxnet virus. A malicious computer program was able to cause severe damage to an Iranian nuclear power facility, rendering it inoperable for some time. In 1981, the Israeli air force carried out airstrikes against an Iraqi nuclear reactor with the same intent. In the span of

---

<sup>113</sup> Modelski, *Long Cycles in World Politics*, 10.

a few decades, a task that was once conducted by fighter jets can now be done by computers and hackers. Government spending on research and development will provide a glimpse of how much resources an actor puts into developing the latest technology. Research and development spending data is published by the Organization for Economic Cooperation and Development and is reported in millions of dollars.

### **Soft Power**

The soft power capabilities I am using in my research are just as important to state capability as hard power elements. Because my conceptualization of hegemony emphasizes the consent of weaker actors, the ability to attract a foreign state is equally important in establishing hegemony than the ability to dominate one.

Soft power is a far more difficult concept to operationalize, and indeed includes intangibles that cannot be quantified. The basic premise of soft power is that it is the ability of an actor to achieve its desired goals through attraction rather than coercion. There are thousands of different sources of attraction and influence that could affect different countries in different ways. For example, investment into developmental assistance could be a greater source of soft power for a country that is dealing with developing states like South Sudan or Yemen, than it would be if that country was dealing with an industrialized state like Canada. Domestic issues such as capital punishment and gun control can have profound effects on American soft power in certain situations.<sup>114</sup> In my thesis I will look at sources of soft power that contribute the most to the ability of an actor to affect the behavior of another.

---

<sup>114</sup> Nye, *Soft Power*, 59.



The quality of an actor's universities can provide a state with a great deal of soft power and can lead to hard power advantages as well. Academic institutions and research universities can pioneer new scientific discoveries and technologies that can change the economic and social fabric of a society. Militaries depend on the skill and quality of universities and research laboratories to create the newest weapons systems and equipment to provide them with an edge over potential adversaries. During the nuclear arms race and the space race, the university and laboratory became a frontline for the Cold War. Universities are also where new ideas and ideologies are fostered and spread. Students from foreign countries can attend a university and receive an education and be exposed to the host country's ideas and norms while bringing their own culture to that country. Some of these students will return home and find jobs in positions that will allow them to affect their country's policies or national power.<sup>115</sup>

Because of the enormous soft power and potential hard power benefits that universities and education systems provide, I will include several variables that reflect their contributions. First, government investment into education will give me a measure of that actor's efforts towards scientific progress, as well as its efforts to improve its available human capital. More investment will mean greater resources for educational institutions and will help to entice students from other countries to seek to study in that country. This will be reflected in my second measure which will be the number of students attending universities who originate from outside of that country. My third measurement will be the number of students graduating with a tertiary degree in a given year. A higher skilled workforce can lead to higher productivity and a stronger economy. Data on inbound international students is published by the World

---

<sup>115</sup> Nye, *Soft Power*, 45.

Bank, and is recorded as individuals. Data on tertiary graduates is also published by the World Bank. Time series data on education spending was not available, and so government education spending for the year 2016 was found using three different sources which are listed in appendix one.

Investing in the economy of another country can be a great source for soft power. Investment in developing economies can foster positive relationships with local people, economic interdependence, and can help to grow a young economy. This can foster influence with other countries and goodwill with the populations of recipient nations. To measure foreign investment, I observed foreign direct investment (FDI) stocks. These included the net total of all FDI at a set point in time. FDI stock data was found at Organization for Economic Co-operation and Development database and is recorded in millions of U.S. dollars.

In 2016 the action movie *Captain America: Civil War* earned more than \$1.1 billion from domestic and international showings. One year earlier, Michael Jackson's hit album *Thriller* went Platinum for the 30<sup>th</sup> time, adding to its success as the number one most sold album globally with more than 100 million copies sold. Opinions on the importance of popular culture to a state are at best mixed. Some argue that popular culture is a detriment to the image of the United States, spreading the perception that Americans are overly materialistic and frivolous. However, others argue that popular culture can overtly or subliminally spread a country's values and ideals. The popularity of a country's music, film, and even sporting events can have a profound impact on the opinions of other states. The spread of iconic brands like McDonalds and Coca-Cola are seen as spreading American culture and influence. During the Cold War, popular music encouraged sentiments of nonconformity, while films spread the idea that

individuals could own their own home or car thanks to capitalism. While the question of what exactly can be considered popular culture is highly debatable, it is generally accepted that media such as music and film are considered to be products of a state's popular culture. So, to measure the impact of popular culture today I looked at the total value of the media and entertainment industry in the year 2016. Unfortunately, like education spending and naval capacity, time series data is not available.

The first part of my cross-national analysis will look at my selected power metrics and determine if the United States has experienced a period of relative decline or absolute decline.

And so:

H<sub>1</sub>: The United States experienced a relative decline in a majority of the power metrics in which a decline was observed.

I have identified earlier the threshold for a state to be considered a challenger for hegemony as having eighty percent of the relative power capabilities of the hegemon. Should a state achieve a level of national power capabilities equal to eighty percent of the hegemon's power, then the international structure will be considered bipolar as that actor would have the ability to challenge the status quo of the system and balance against the hegemon. Because power is not a single metric, but a group of metrics, then a legitimate challenger to the hegemon will need to attain a relative level of power capability equal to eighty percent of the hegemon's capability in a majority of the observed power metrics.

H<sub>2</sub>: China has reached a threshold of 80% of national power capabilities relative to the United States in a majority of national power metrics.

It can be argued that Russia seeks to establish itself as a potential challenger to the United States and to balance against the West. The conquest of the Crimean Peninsula and the military intervention in Syria on behalf of the Bashar Al-Assad regime stands as evidence to this. However, I do not believe that Russia has achieved a level of national power capabilities to be considered a legitimate challenger, and so:

H<sub>3</sub>: Russia has not reached a threshold of 80% of national power capabilities relative to the United States in a majority of national power metrics.

### **Liberal Hegemonic Order**

The final part of my analysis will look at the liberal international order which the United States has sought to maintain and expand. If the United States is declining as a hegemonic state, then we should see this international order begin to erode as the hegemon becomes unwilling or unable to continue maintaining it. From my research, I have been able to flesh out three distinct characteristics of the liberal hegemonic order; reduction of trade barriers, spread of liberal democracy, and the role of the United States as a security guarantor. Trade liberalization has been a central point of American foreign policy for decades and was pushed heavily with programs such as the Washington consensus. The United States pushed for other countries to adopt the policies of the Washington Consensus which called for liberalization of trade policies and the minimization and removal of trade barriers.<sup>116</sup> To see the effect of global

---

<sup>116</sup> Bob Catley, "Hegemonic America: The Benign Superpower?" *Contemporary Southeast Asia* 18, no. 4 (1997): 395.

trade liberalization I will look at the total value of international trade as a percentage of global GDP, commonly referred to as the trade openness index.

H<sub>4</sub>: The value of global international trade as a percent of GDP is declining.

The second core characteristic of the liberal international order is the push for countries to democratize. During the Cold War the United States sought to prevent the spread of communism and promote the spread of democracy as part of its policy of containment. In the years after the Cold War the spreading of democracy around the world has been maintained as a mainstay of American foreign policy and has even accelerated in some circumstances thanks to less concern of Soviet interference.<sup>117</sup>

Using data collected and presented by Freedom House I will look at the current health of global democracies and the spread of democratic values. Using Freedom House indicators provides two benefits; first is the availability of data. Freedom House has collected and published its data every year beginning in 1972, allowing for an effective time series analysis. Second, the indicators used by Freedom House are sometimes criticized as only reflecting Western liberal democratic values. Since I intend to analyze the western liberal hegemonic order, this actually provides normative validity to my choice of the Freedom House data.

H<sub>5</sub>: Global democracy indicators are declining.

The spread of democracy has been a key pillar in American foreign policy since the early stages of the Cold War. Following the collapse of the Soviet Union, a new push was made to

---

<sup>117</sup> Catley, "Hegemonic America," 383-384.

promote democratization and democratic values. The spread of democracy has also been seen as a major economic goal due to the perception of easier trade relations and commerce with other democracies.

The rising powers which would have the potential to challenge American hegemony are not western style democracies. China continues to operate a state-centric political and economic system involving a politburo of political oligarchs, and Russia stands on the brink of dictatorship under Vladimir Putin. If the liberal hegemonic order is receding, then we should also see global democracy begin to erode.

The final cornerstone of the liberal hegemonic order is the guarantee of security and protection by the United States. As the only remaining military superpower following the Soviet Union's collapse in 1990, the United States enjoyed a level of military dominance never before seen. With this military predominance, the United States has sought to limit armed conflict and enforce its world order through military intervention in Bosnia, Somalia, Iraq, and others. If the United States is declining and is no longer able or willing to enforce the rules of the international system, then we should see a decline in this security guarantee:

H<sub>6</sub>: United States foreign security aid is declining.

In order to observe the United States position as the global security guarantor, I chose to look at the amount in security aid the U.S. provides each year. This data was published by Security Assistance Monitor, a program run by the Center for International Policy, and is gathered by reviewing Congressional Budget Justification reports, State Department reports, along with individual program reports. This aid comes in the form of training, financial aid, or

materials to foreign security police forces. I chose to use security aid because it demonstrates U.S. willingness and effort to aid our allies and partners without large troop deployments which could become expensive or unpopular. Security aid on the other hand can be provided more frequently and aims to provide longer term protection in the form of better local forces rather than temporary American defensive garrison.

## **CHAPTER 5. ANALYSIS**

### **Data Limitations**

While collecting my data I found metrics in which time series data does not exist. Among the missing data was information on naval capacity, education spending, and revenues of the media and entertainment industries. Additionally, my intent was to begin my analysis of each power metric by looking at time series data starting in 1991 with the ending of the Soviet Union and the establishment of the U.S. as the sole superpower. In the time series I was able to conduct, I have used data beginning at or as close to 1991 as possible. Most of the series do start at 1991, I was forced to start others within a few years later. While those series do not start at 1991, they do demonstrate the changes that have occurred in the distribution of power.

### **Hard Power**

The United States continues to maintain the largest gross domestic product in the world valued at more than eighteen trillion dollars as of 2015. A visible drop is seen in the time series data in 2008-2009 following the collapse of the housing market and the subsequent banking crisis. By applying a polynomial line of fit to the data it can be seen that both the U.S. as well as China are forecasted to continue positive GDP growth based on current trends. It can also be seen by extending the line of fit out by a decade, that China's GDP is could surpass that of the U.S. if current trends persist. The  $R^2$  values of both lines are presented in the graph and indicate a strong fit to the data.

GDP growth in China has slowed down in recent years as the country tries to modernize and diversify its economy. It has been argued that as the manufacturing giant's economy continues to "mature," it will see slower growth rates than the double-digit and high single-digit



growth it has enjoyed for the past decade.<sup>118</sup> Despite this rapidly growing GDP, China still lags far behind the United States in terms of GDP per capita at \$8,132 compared to the United States \$57,466.<sup>119</sup>

Russia has seen its economy significantly impacted by recent sanctions related to their invasion of Ukraine and the annexation of Crimea. Additional sanctions have been enacted in response to their cyber-attacks during the 2016 Presidential race. The effect of these new sanctions on their economy has yet to be seen. In addition to economic sanction, the Russian economy has been hamstrung by low petroleum prices which were gouged in 2014, oil prices were gouged by nearly 70%, resulting in massive economic loss.

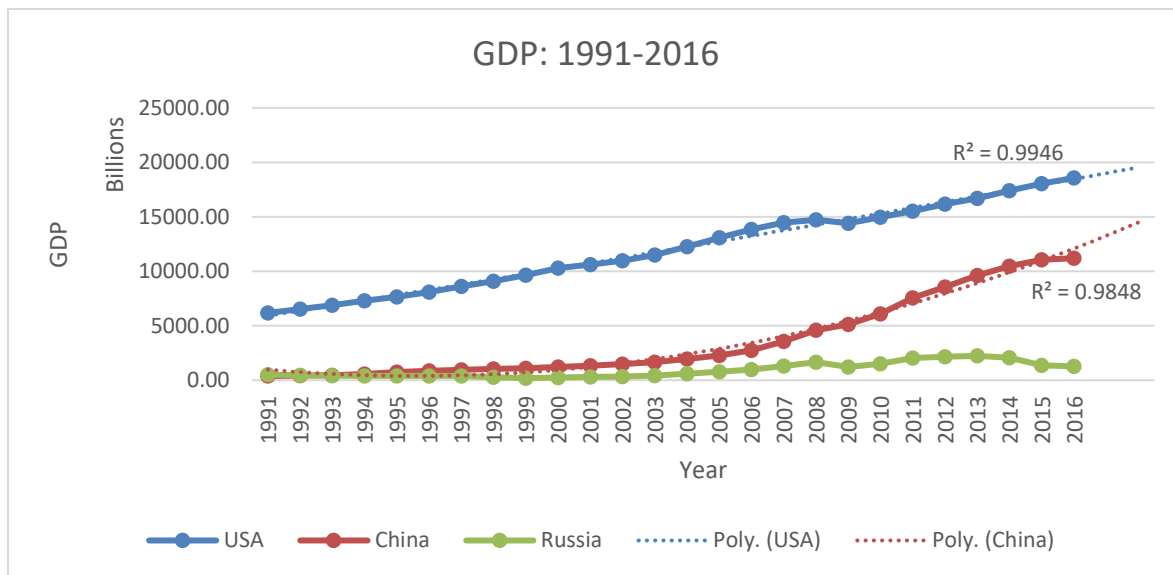


Figure 1. GDP: 1991-2016. Data source: World Bank.

<sup>118</sup> Nye, *Is the American Century Over?* 48.

<sup>119</sup> World Bank Database, GDP per capita. <http://data.worldbank.org/indicator/NY.GDP.PCAP.CD> web, accessed 7/20/2017

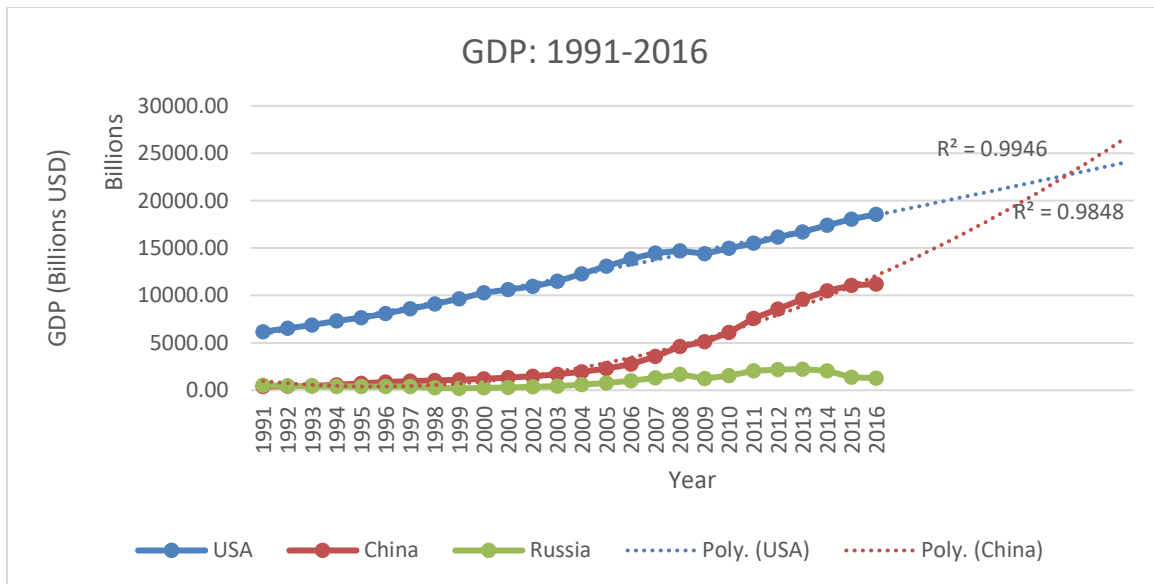


Figure 2. GDP: 1991-2016. Data source: World Bank.

As of 2016, China has not reached the eighty percent threshold to be considered a challenger in this power category. With astonishingly high annual economic growth China has enjoyed over for more than a decade, it would not be outside of the realm of imagination to predict them to reach the challenger threshold in the near future. According to predictions made by *Fortune* magazine, China will surpass the U.S. economy by 2030.<sup>120</sup> Similar forecasts have been made by Bloomberg LLC. which claim that China's economy will surpass that of the U.S. even sooner with a prediction being made for 2026.<sup>121</sup>

Russia's gross domestic product falls far below that of both the United States and China. Russia faces continued economic sanction for its belligerence in Eastern Europe. Roughly two-thirds of the Russian economy is oil and natural gas, both of which have seen dramatic price

<sup>120</sup> Geoff Colvin, "Study: China will Overtake the U.S. as World's Largest Economy Before 2030," *Fortune*. \*February 09, 2017) <http://fortune.com/2017/02/09/study-china-will-overtake-the-u-s-as-worlds-largest-economy-before-2030/> Web, accessed 8/1/2017

<sup>121</sup> Malcom Scott and Cedric Sam, "China and the United States: Tale of Two Giant Economies," Bloomberg L.P. (May 12, 2016) <https://www.bloomberg.com/graphics/2016-us-vs-china-economy/> Web. Accessed 9/2/2017

reductions. The Russian workforce and population are shrinking as birth rates fall and mortality rates rise resulting prediction of a demographic crisis in the future. In light of these challenges, Russia is not likely to challenge the United States or China in terms of economic power anytime in the near future.

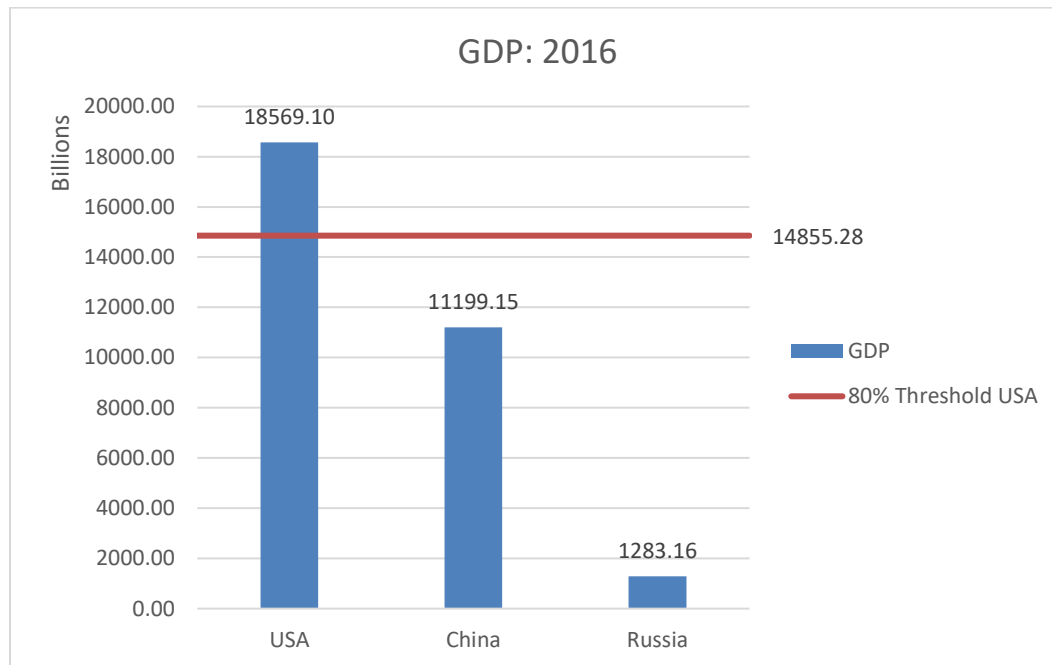


Figure 3. GDP: 2016. Data source: World Bank.

With the exception of India or a unified Europe, no other actor can compare with the enormous population advantage held by China. The United States is hopelessly outmatched in terms of population size. At 1.38 billion as of 2016, China maintains a four-to-one population advantage over the United States, and a nearly ten-to-one advantage over Russia. China is sure to maintain this advantage over the United States for many years to come.

The United States has little hope of competing with China in overall population. In 2016 the United States saw its population growth rate fall to its lowest point since the 1930's with a

growth rate of 0.693 percent.<sup>122</sup> <sup>123</sup> With proposals being made to rework the U.S immigration system to reduce legal immigration by as much as fifty percent, the population growth of the prevailing hegemon may see an even sharper decline.

Russia has seen slow population growth over the last decade due to declining fertility rates and surprisingly low life expectancy for a modern advanced economy with males on average living only into their sixties.<sup>124</sup> Russia's population has fallen by approximately four million people since reaching its peak in 1994 and it is argued that Russia faces a looming demographic crisis as its population begins to shrink faster than immigration can replace the lost numbers.<sup>125</sup>

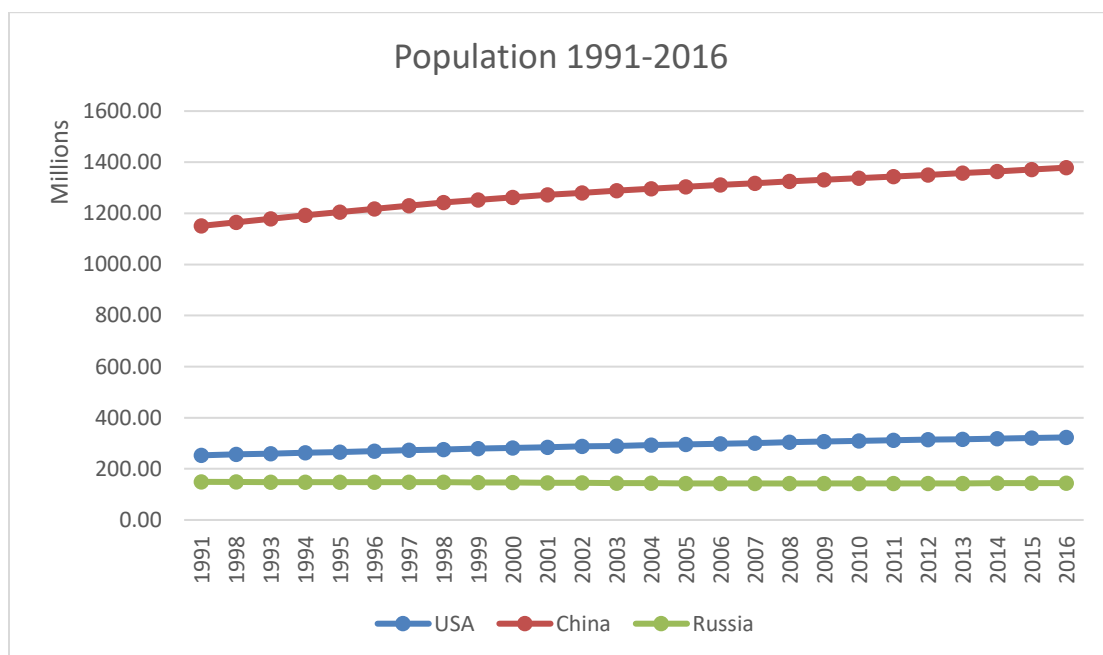


Figure 4. Population 1991-2016. Data source: World Bank.

<sup>122</sup> Niraj Chokshi, "Growth of U.S. Population is at Slowest Pace Since 1937," New York Times. Dec. 22, 2016. <https://www.nytimes.com/2016/12/22/us/usa-population-growth.html?mcubz=0> Web. Accessed 8/2/2017

<sup>123</sup> World Bank Database, Population Growth (annual %) <http://data.worldbank.org/indicator/SP.POP.GROW>

<sup>124</sup> Nye, *Is the American Century Over*, 34.

<sup>125</sup> Ibid.

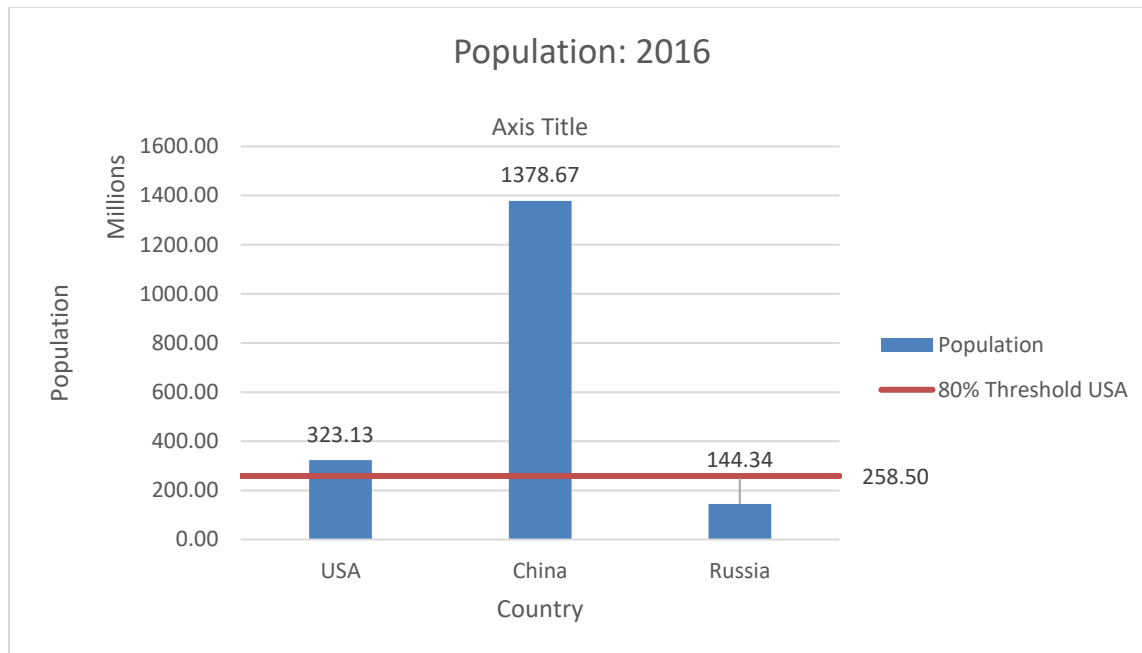


Figure 5. Population:2016. Data source: World Bank.

Following the September 11<sup>th</sup>, 2001 terrorist attacks in New York and at the Pentagon, the United States increased its military spending dramatically as it entered into two large scale conflicts and subsequent occupations of Iraq and Afghanistan. The end of those two conflicts saw a decrease in American military spending as the wars ended and the U.S. has tried to reduce its annual deficit spending.

China has steadily increased its military spending since the 1990's as it seeks to modernize its military and expand its hard power influence to its immediate surroundings. The increases in military spending has given China new ballistic missiles, its first aircraft carrier, an additional domestically built aircraft carrier, the J-20 stealth fighter, and multiple new military installation on artificial islands in the South China Sea. It is important to note here that data on China's military spending are effectively predictions due to mistrust of the Chinese government's statistics reporting which are found to often be intentionally misleading.

Russian military spending increased in the early 2000's and have decreased since 2013, most likely due to the impact of continued economic sanctions. Russia has sought to modernize its military into a 21<sup>st</sup> century fighting force by refitting its navy, updating its nuclear forces, and modernizing its fighting equipment. The Russian government resisted reducing military spending following the imposing of sanctions, but they were forced to cut the military's budget as economic pressure continued.<sup>126</sup>



Figure 6. Military Spending: 1993-2016. Data source: Stockholm International Peace Research Institute

China and Russia both have increased spending in recent years as they continue to modernize their respective militaries. However, neither China nor Russia have reached the eighty percent threshold to be considered a challenger in military spending. If the United States were to reduce its own military spending to levels closer to its pre-2001 spending, then it would

<sup>126</sup> Stratfor, Worldview. "In Russia, Defense Cuts Were Inevitable." <https://worldview.stratfor.com/article/russia-defense-cuts-were-inevitable>

not be difficult to see China reach the challenger-threshold. However, with the continued fight against ISIL, an increasingly dangerous situation on the Korean Peninsula, and a Republican controlled government that has run on a platform of military expansion and modernization, it is not likely that we will see the U.S. willingly cut its military spending to such a degree as to allow China or Russia to challenge it.

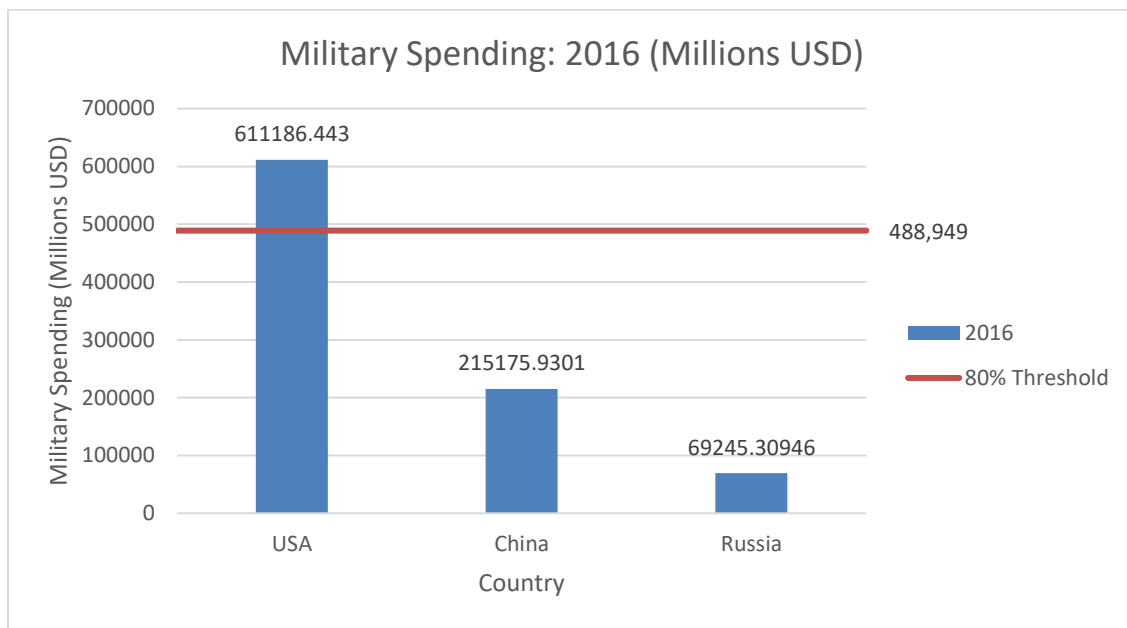


Figure 7. Military Spending: 2016. Data source: Stockholm International Peace Research Institute.

As of 2015, both China and Russia were above the threshold needed to be a challenger to the United States in this metric. China's advantage in military personnel is such that the establishment of a new threshold relative to eighty percent of China's standing military shows that neither the United States nor Russia would meet that mark to be considered challengers to China in this metric. This overwhelming advantage in numbers does not necessarily translate into guaranteed victory in a conflict. It does, however, demonstrate the China has a vast pool of

troops to call on, including millions of potential recruits thanks to their population advantage, in the case of a major conflict such as a hegemonic war.

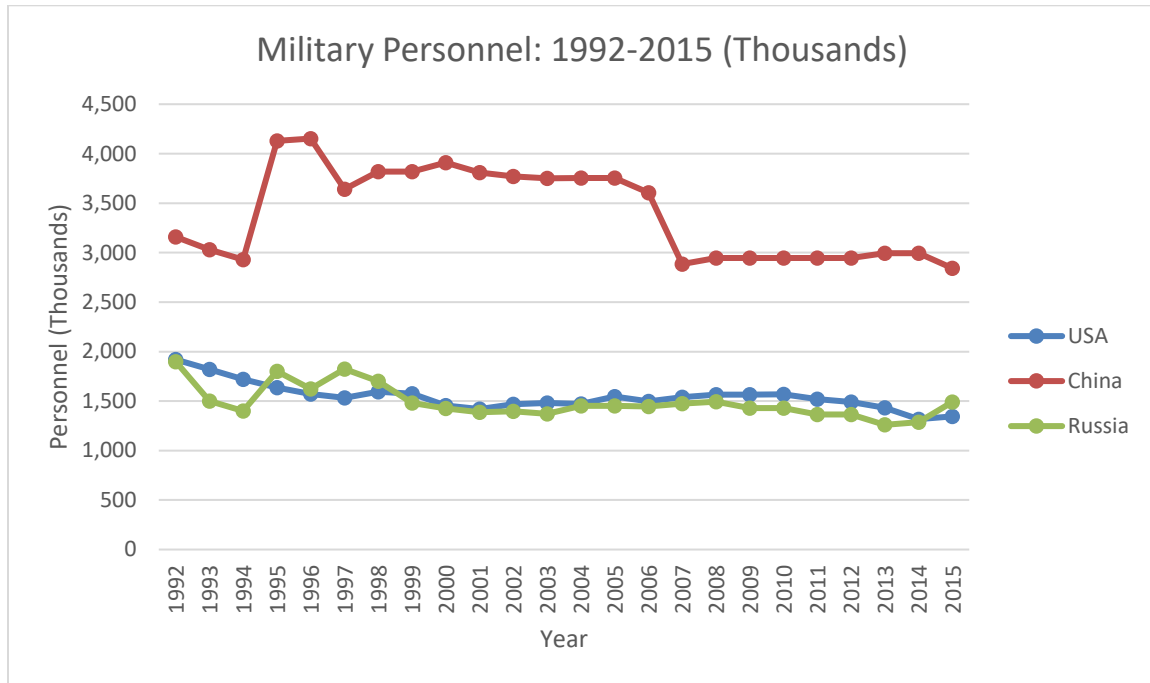


Figure 8. Military Personnel: 1992-2015. Data source: World Bank.

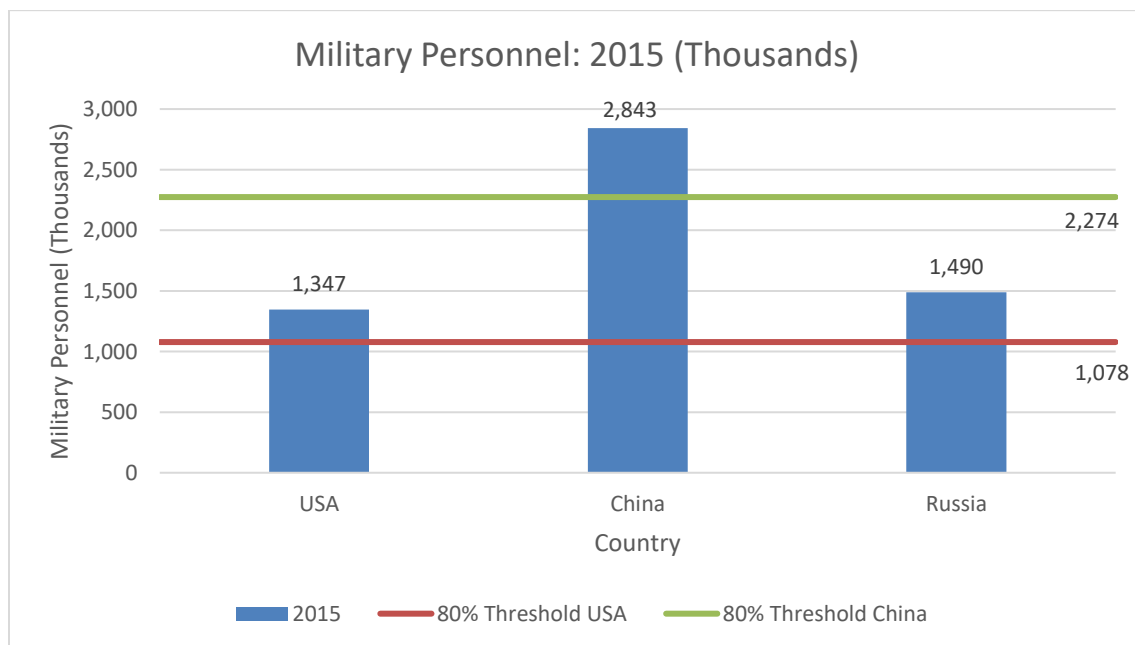


Figure 9. Military Personnel: 2015. Data source: World Bank.



In terms of naval capacity, China once again holds a significant advantage in terms of total number of vessels. When applying an eighty percent threshold to China's naval capacity neither the U.S. or Russia meet the requirement to be considered a numerical challenger. Both China and Russia are seeking to modernize their navies. China currently operates one aircraft carrier and have nearly completed a second as well as upgrade its aging surface and submarine fleets. Russia is seeking to modernize its fleet, especially its ballistic missile submarines, and build as many as one hundred new warships and auxiliary vessels by 2020.<sup>127</sup> Like military personnel, more available vessels do not necessarily translate into naval superiority or a guaranteed victory in conflict. However, it does speak to an important metric of national power and suggests that the actor in question seeks to expand their influence.

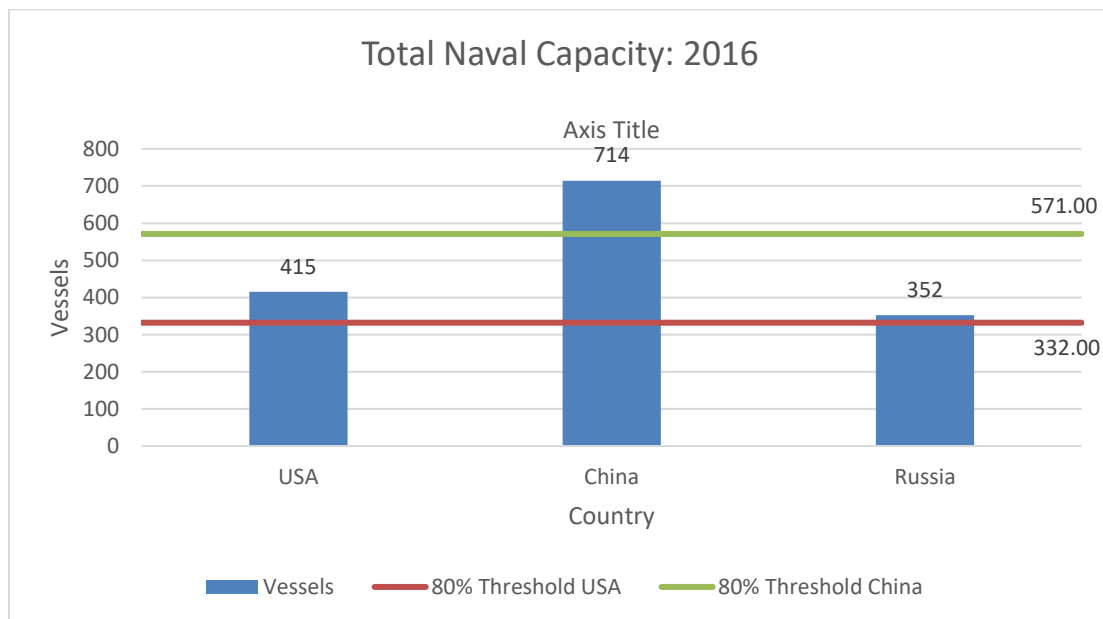


Figure 10. Total naval capacity. Data source: Globalfirepower.com

<sup>127</sup> Steve Micallef, "The Ambitions and Challenges of Russia's naval Modernization Program," Center for International Maritime Security. (December 13, 2016) <http://cimsec.org/ambitions-challenges-russias-naval-modernization-program/30008> Web, accessed 8/4/2016

Raw steel and iron production are both dominated by China and have been for many years. Like population, the enormous advantage held by China dwarfs the production of both the United States and Russia combined. This enormous expansion of production has been attributed to the rapid expansion of the manufacturing sector in China, new major infrastructure projects, and market interference in the form of artificial currency controls which reduce competition to Chinese steel and iron firms.<sup>128</sup> The United States has seen its own manufacturing industry shrink as companies moved their operations overseas in favor of lower labor costs and regulations.

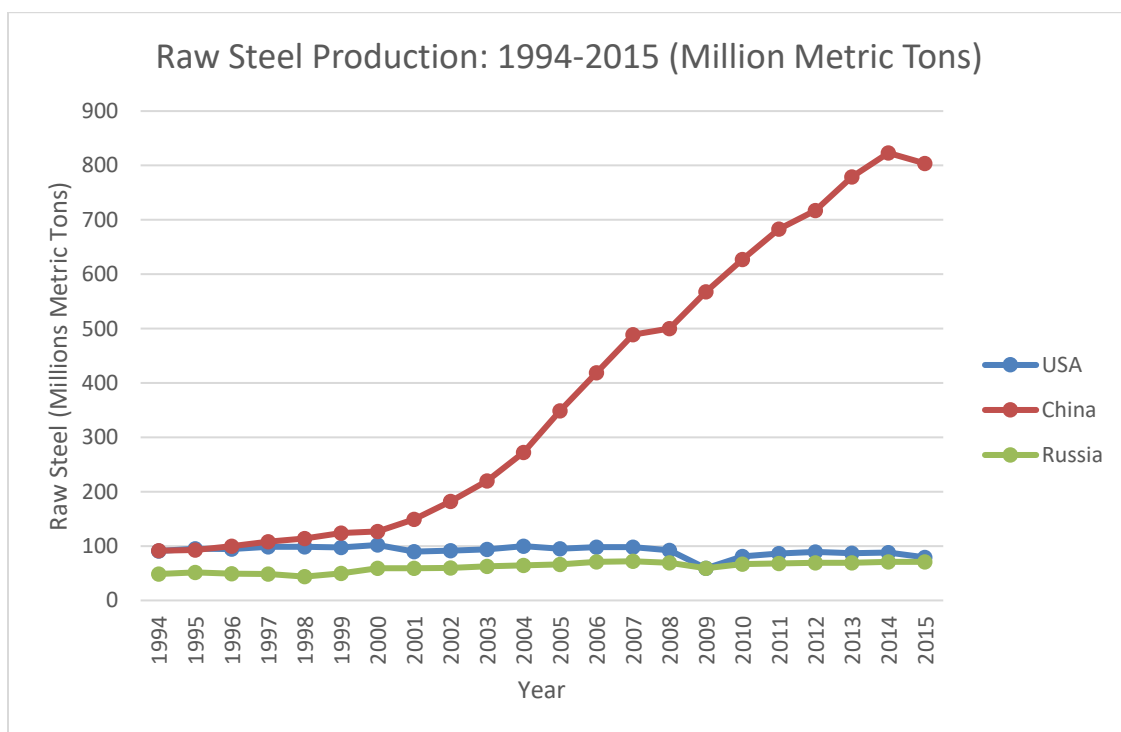


Figure 11. Raw steel production: 1991-2015. Data source: U.S. Geological Survey.

<sup>128</sup> Micheal D. Fenton, "USGS Steel and Iron mineral year book 2006." Page 37.2

China and Russia both have reached the required eighty percent threshold to be considered challengers to the U.S. China currently produces considerably more raw steel and iron ore than both Russia and the United States. When applying a secondary threshold at eighty percent relative to China's production neither the US nor Russia meets that threshold in steel. Production of usable iron ore presents a similar situation in which the United States is vastly out-matched in terms of annual production. Both China and Russia surpass the challenger threshold and outproduce the U.S. by a margin of at least two-to-one.

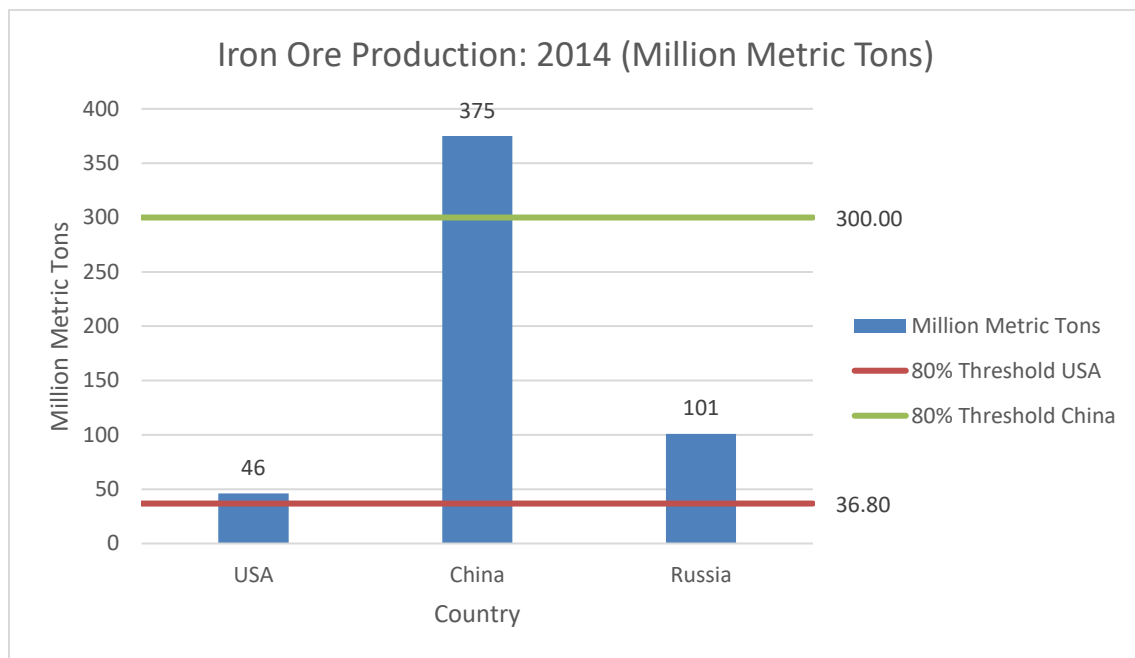


Figure 12. Iron ore production: 2014. Data source: U.S. Geological Survey.

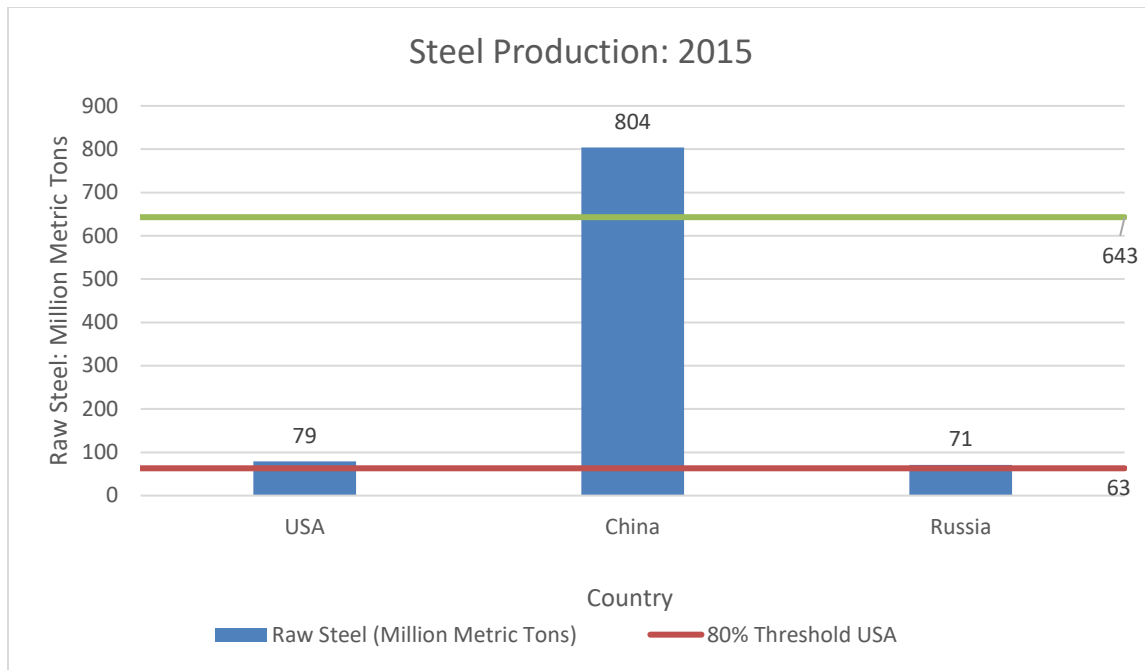


Figure 13. Steel Production: 2015. Data source: U.S. Geological Survey.

The United States was surpassed in petroleum production in 2003 as Russia expanded its oil and natural gas industry. The U.S. then overtook Russia in 2012 and dramatically increased its production over the next several years. China has consistently increased its petroleum production each year except for 2016 in which production fell. Unlike China's overwhelming advantage in iron and steel production, petroleum production is far lower than both the United States and Russia.

Neither China nor Russia has met the eighty percent threshold to be considered a challenger to the U.S. in the petroleum production metric. However, considering that Russia was able to surpass the United States and maintain a greater level of production for several years, it is not unfair to say that Russia may do so once again.

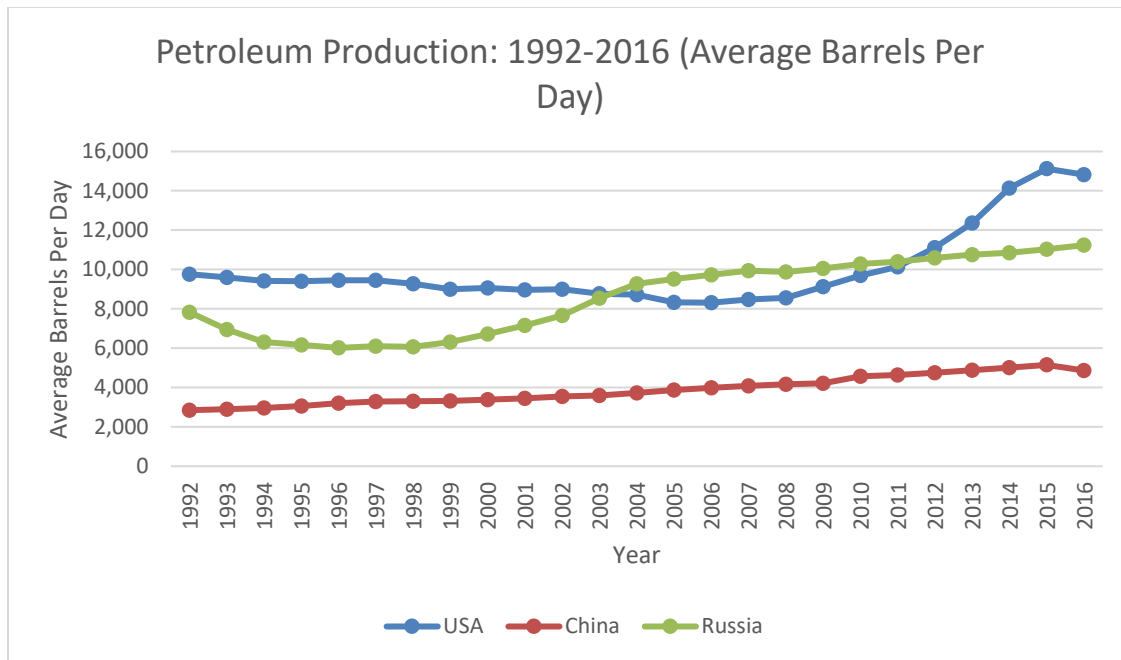


Figure 14. Petroleum Production 1992-2016. Data source: Energy Information Administration.

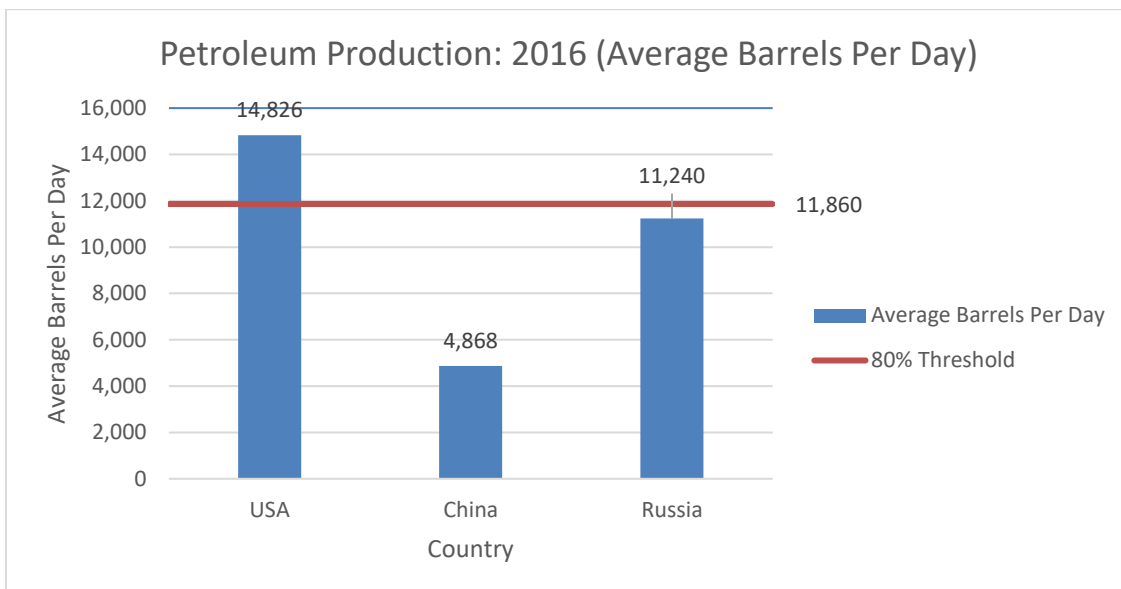


Figure 15. Petroleum Production: 2016. Data source: Energy Information Administration.

Due to data limitations, a time series comparison of energy consumption cannot be fully completed. Observing the available data, it can be seen that the United States was surpassed in energy consumption by China between 2009 and 2010. China has since increased its energy

production over subsequent five years. This increase in energy consumption can be attributed to China's efforts to modernize its economy and infrastructure and to feed growing manufacturing industries.

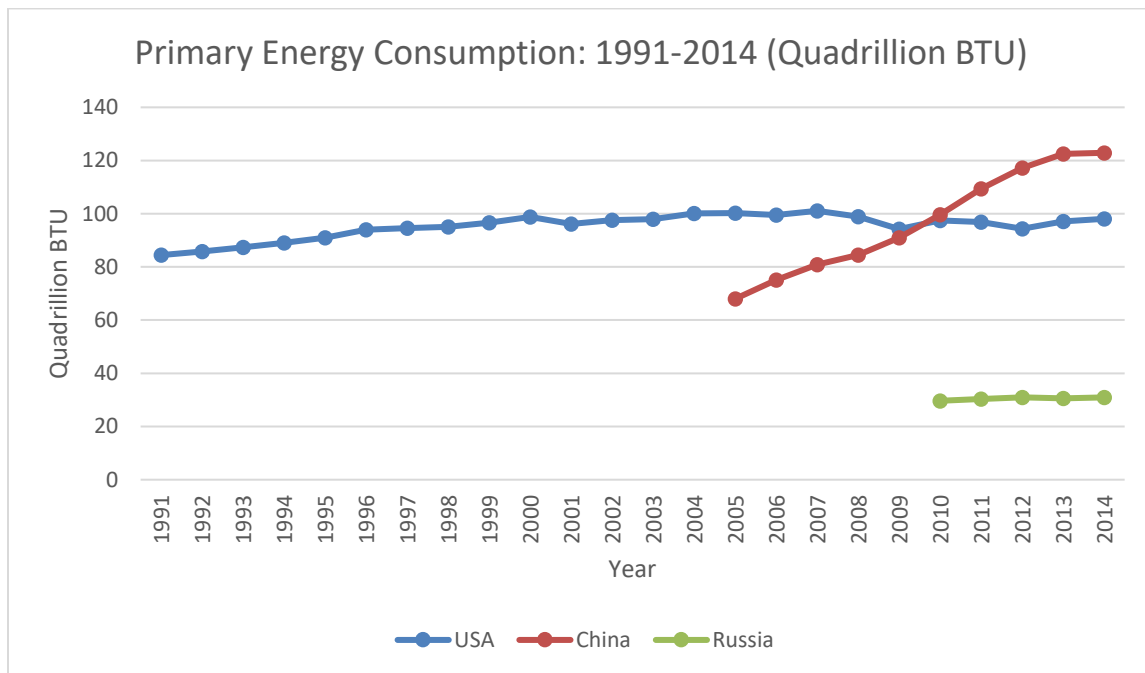


Figure 16. Primary energy consumption: 1991-2014. Data source: Energy Information Administration.

Looking at the most recent data on primary energy consumption, it can be seen that the United States falls just short of reaching the threshold that would be used to determine the existence of a challenger if China were a hegemonic power. The U.S. is close enough however that it could easily cross the eighty percent mark in another year. Russia by contrast is well below the challenger threshold of the U.S. can China.

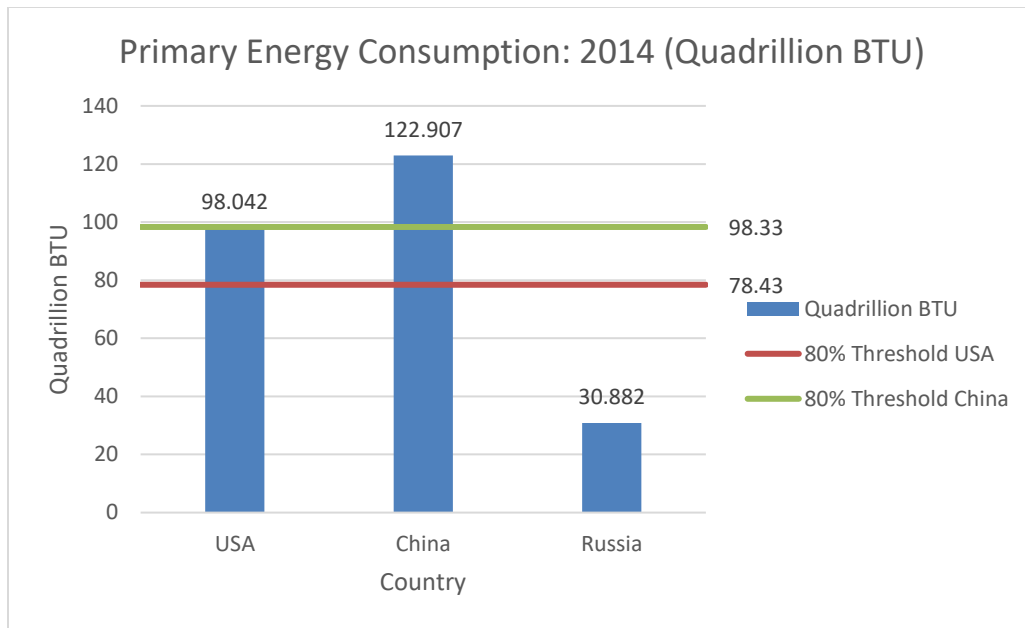


Figure 17. Primary energy consumption: 2014. Data source: Energy Information Administration.

As their economy continues to develop and modernize, China has invested more into research and development. China has increased its research and development spending nearly tenfold since 2000. After including a polynomial line of fit for both the United States and China, it is clearly shown that based on historical spending trends, China will surpass the United States in R&D spending in only a few short years. The  $R^2$  for the line of fit on the Chinese data is 0.9962 and the  $R^2$  value for the U.S. data line of fit is 0.9799 indicating that both lines represent the trend in the data very well.

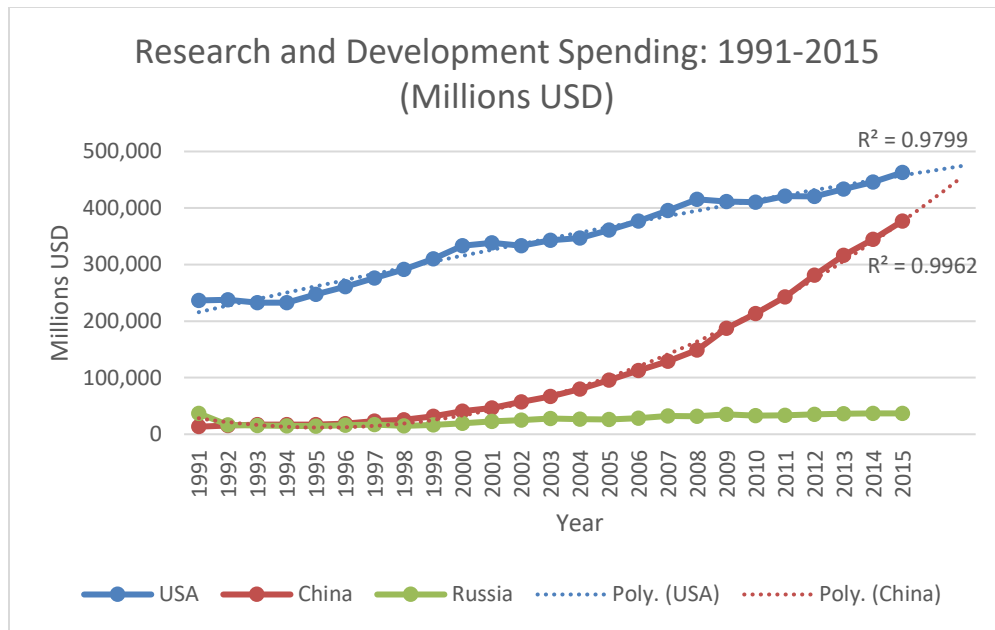


Figure 18. Spending on research and development: 1991-2015. Data source: Organization for Economic Co-operation and Development.

Research and development spending is the last hard power metric observed amongst the three actors. The United States has dominated this metric in the past and continues to do so today. However, China has closed the gap significantly over the last decade and has passed the eighty percent threshold to be considered a challenger in this metric as of 2015. Russia spends comparatively very little on research and development and is not a challenger for either the U.S. or China in this particular category.



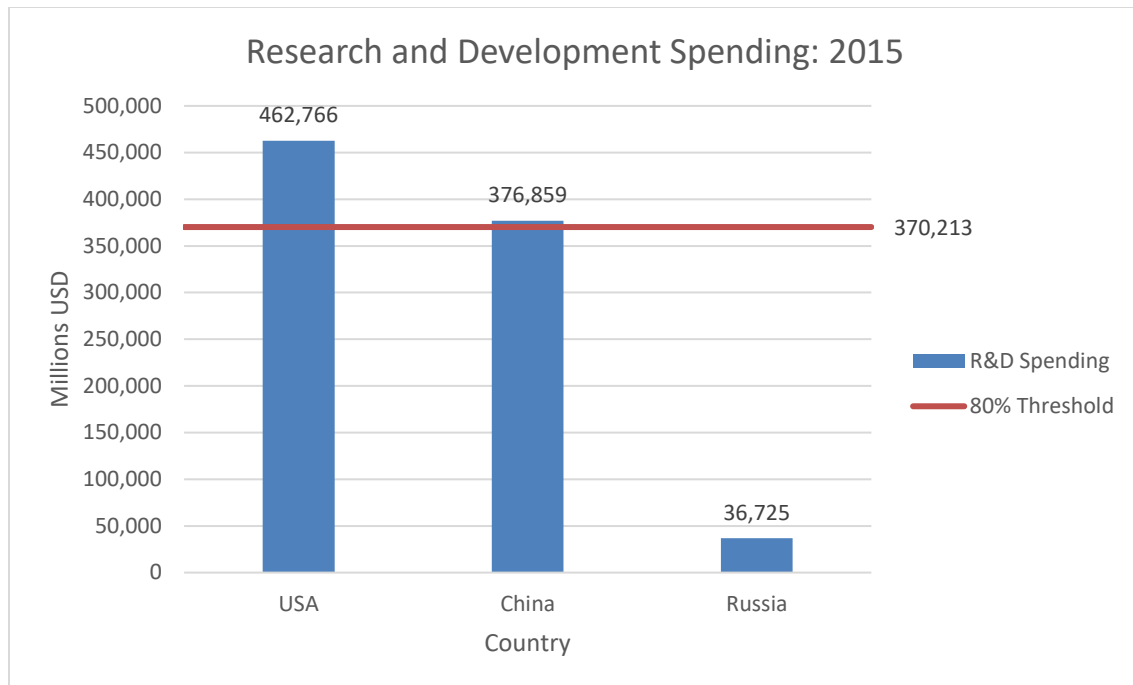


Figure 19. Spending on research and development: 2015. Organization for Economic Co-operation and Development.

### Soft Power

Due to data limitations, I am unable to compare time series data for the three actors, and I am forced to rely on government sources for spending data on education. According to these government sources, China spent roughly eight times the amount on educational institutions that the United States had. The United States Department of Education was allocated approximately seventy billion dollars. While China appears to have outspent the United States by a considerable amount, the U.S. did succeed in outspending Russia by nearly seven-to-one.

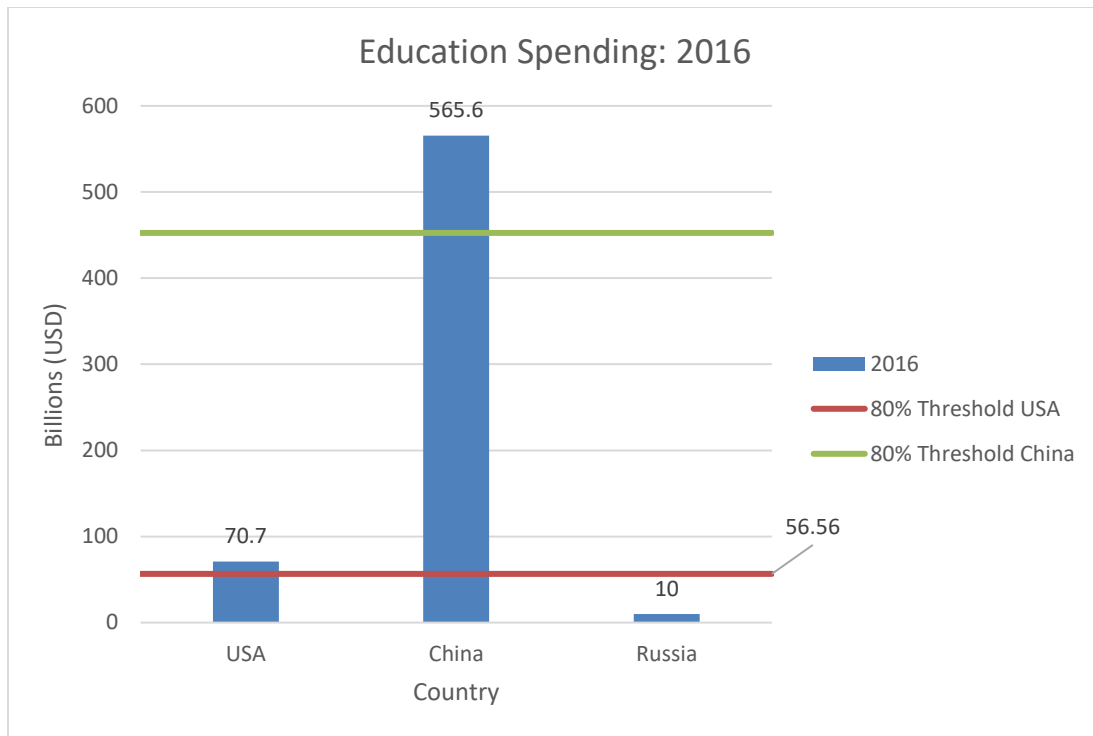


Figure 20. Spending on education: 2016. Data source for the United States: U.S. Department of Education. Data for China: *China Daily*. Data for Russia: World Education News and Reviews

The United States by far has provided more in foreign direct investment (FDI). China has been increasing its foreign direct investment by funding infrastructure projects in Africa, Asia, and South America. With the current rhetoric of the new Trump administration it is possible that the United States will cut its foreign direct investment in the years to come. If this is the case, then China may be looked to as a more willing source of investment by developing countries. Russian FDI has slowed in recent years and will likely remain low as their economy continues to feel the pressure of economic sanctions.

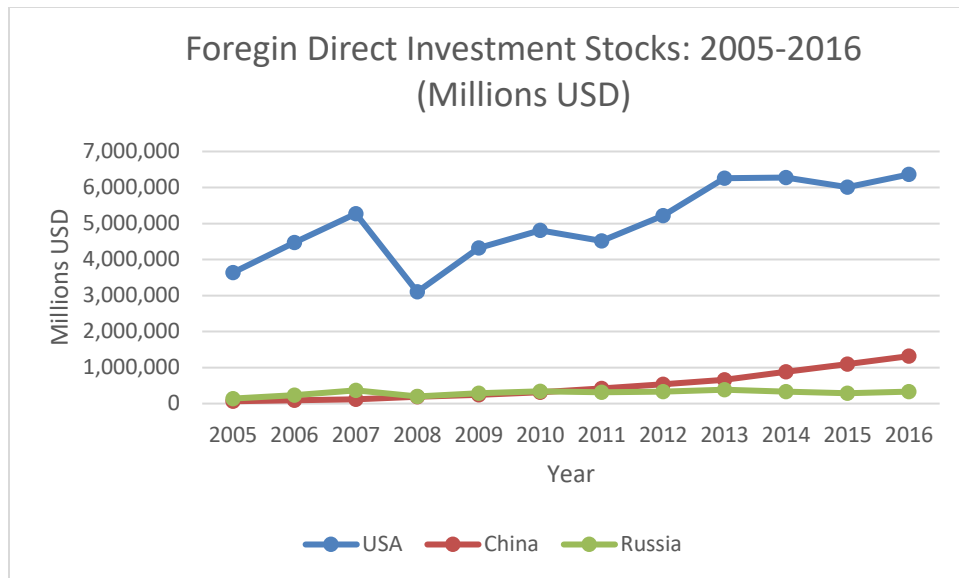


Figure 21. Foreign direct investment stocks: 2005-2016. Data source: Organization for Economic Co-operation and Development.

Graduation rates at the tertiary level has seen a substantial increase in China over the past decade and a half. China today has more graduates at the tertiary education level than both the United States and Russia combined and leads the world in the number of graduates each year. The United States has seen an increase in graduates as well, but was surpassed by China in 2003. According the most recent data, Russia experienced somewhat flat growth in the number of tertiary graduates and had a decline in graduates in 2012.

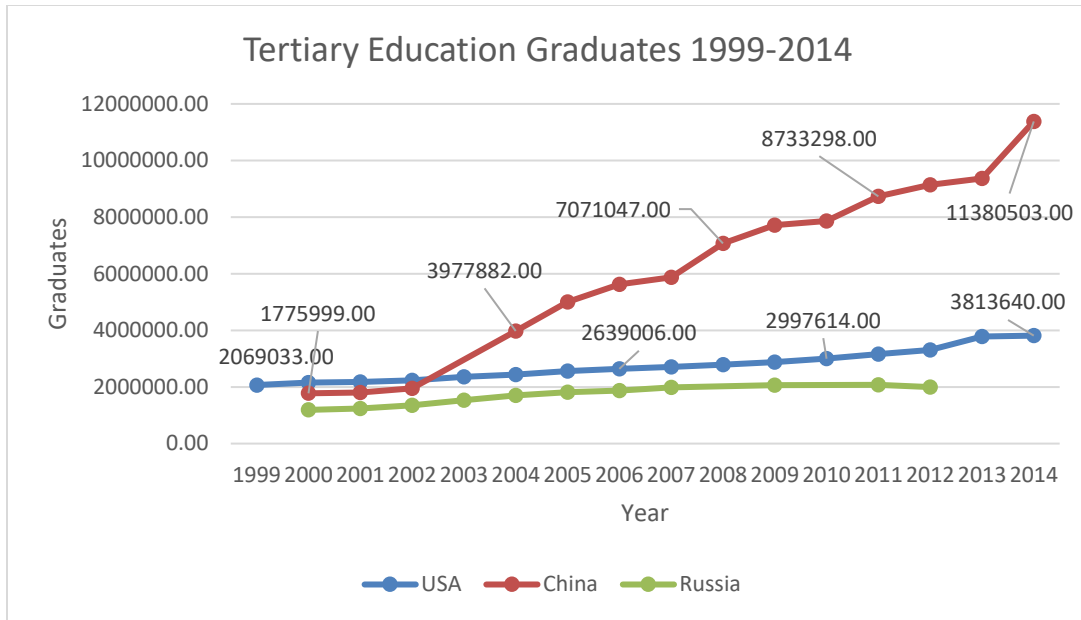


Figure 22. Graduates from tertiary education: 1999-2014. Data source: World Bank.

The number Chinese citizens graduating from tertiary education far outweighs the number of graduates from within the U.S. or Russia. This is in part due to China's enormous population and the movement of people into the middle class. The United States, as of 2012, does not meet the challenger threshold for this soft power metric. Likewise, Russia does not meet the challenger threshold for either the U.S. or China.

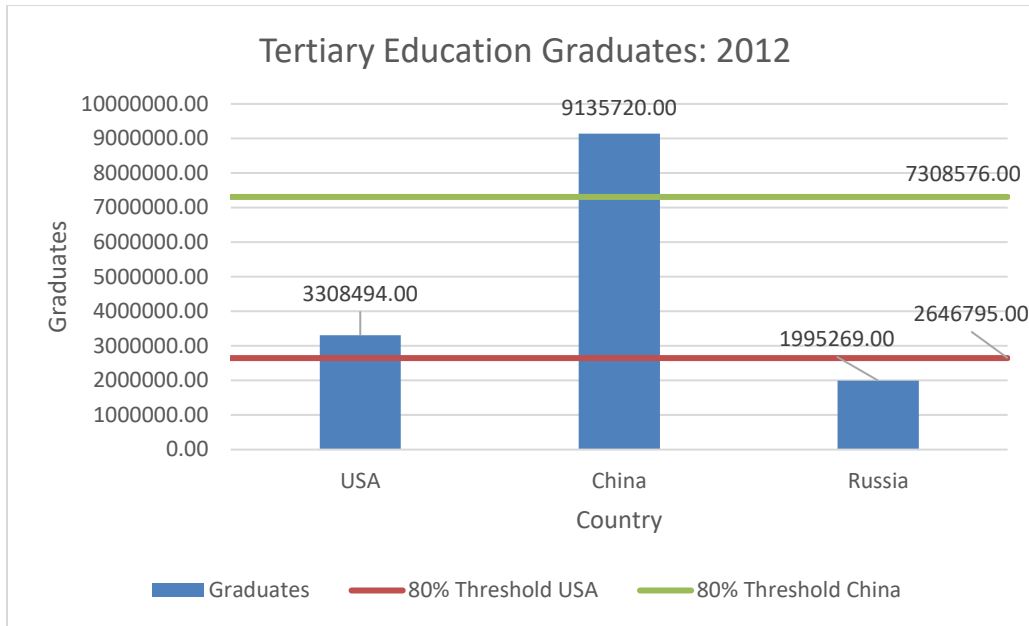


Figure 23. Graduates from tertiary education: 2012. Data source: World Bank.

The United States continues to be the number one destination in the world for international students. This dominance is partly due to the quality of American academic institutions with 42 of the world's top universities being located in the United States as of 2016.<sup>129</sup> While Russia and China have both seen a rise in the number of inbound international students, the United States has an enormous advantage over the other two actors. Neither China or Russia met the threshold to be considered a challenger in this metric of soft power.

<sup>129</sup> "World University Rankings 2016-2017," *Times Higher Education*.  
[https://www.timeshighereducation.com/world-university-rankings/2017/world-ranking#!/page/3/length/25/sort\\_by/rank/sort\\_order/asc/cols/stats](https://www.timeshighereducation.com/world-university-rankings/2017/world-ranking#!/page/3/length/25/sort_by/rank/sort_order/asc/cols/stats) Web, accessed 08/08/2017

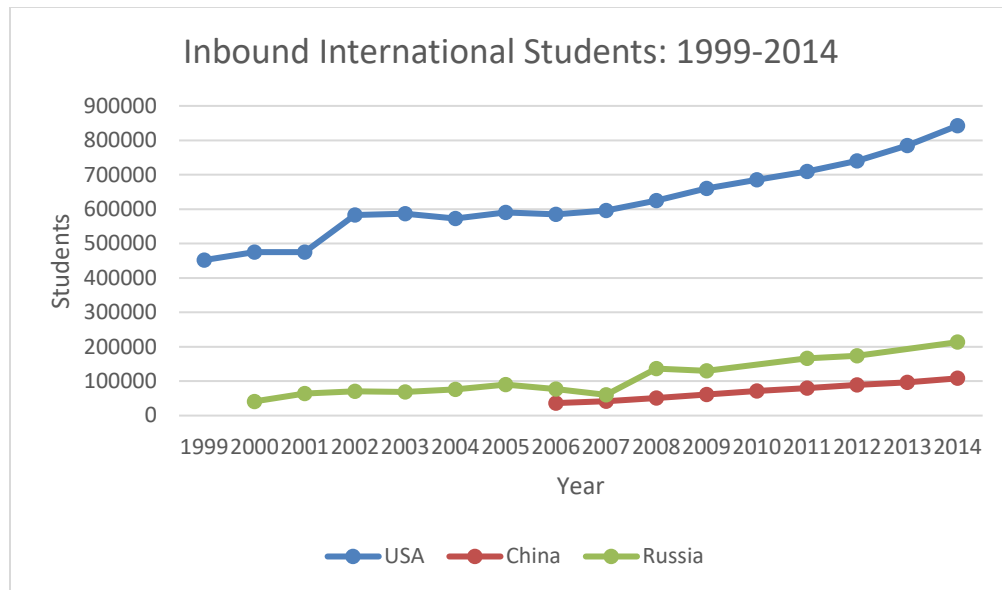


Figure 24. Inbound international students: 1999-2014. Data source: World Bank.

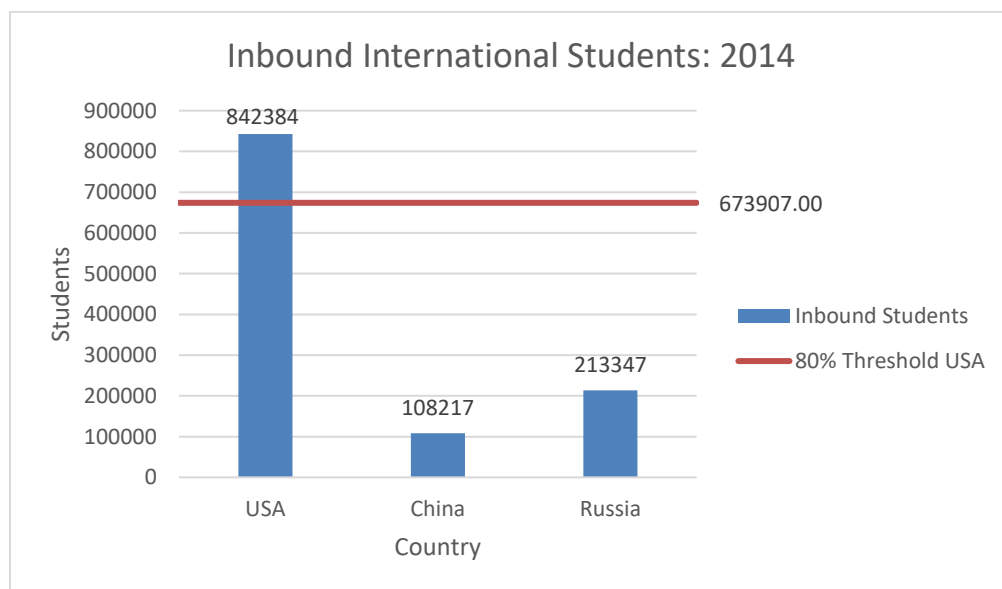


Figure 25. Inbound international students: 2014. Data source: World Bank.

In the last soft power metric, the United States has an overwhelming advantage in the media and entertainment industry. As of 2015, the United States media and entertainment industry produced \$632 billion in revenue, compared to China and Russia's 173.09 and 16 billion respectively. China has the potential to become a major market for the media and

entertainment industry due to its massive population and their growing middle class. They are also seeing a rapid growth in their media and entertainment sector which is expected to reach \$242 billion by 2019.<sup>130</sup> Despite China's potential to be a new major market for the entertainment industry, it does not meet the eighty percent threshold.

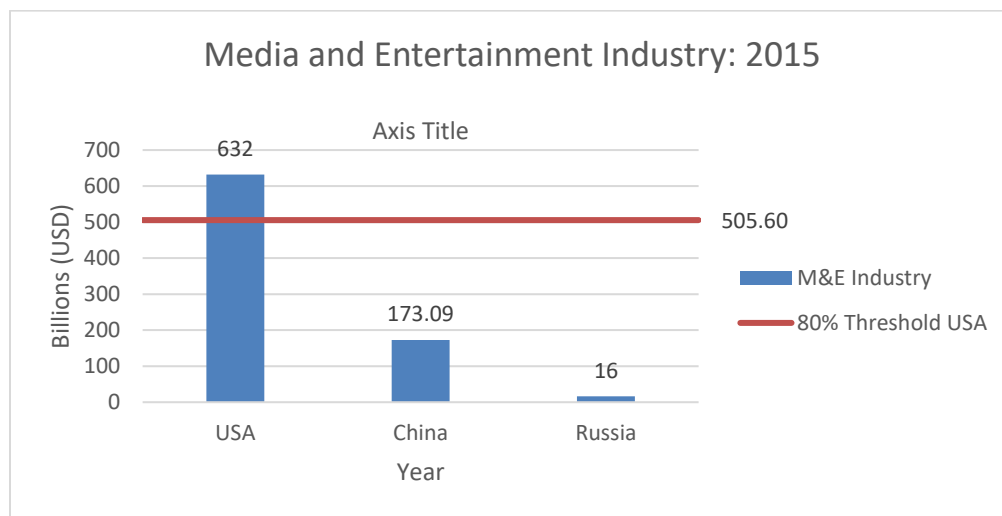


Figure 26. Size of media and entertainment industry in 2015 in USD. Data source for United States: SelectUSA. Data for China: United States Department of Commerce, International Trade Administration. Data for Russia: PricewaterhouseCoopers.

The global trade openness index shows a positive trend toward increased trade and global commerce. However, there is a significant drop that occurs in 2009 and the onset of the so-called Great Recession. Global trade recovers after the fall, but has since stalled and steadily declined and declined again in 2012, 2013, and 2015. After adding in a polynomial line of fit, a slight downward trend can be observed beginning around 2012 and continuing to decline. This

<sup>130</sup> Andrea DaSilva, 2016 Top Markets Report Media and Entertainment. (October 2016) [http://trade.gov/topmarkets/pdf/Media\\_and\\_Entertainment\\_Top\\_Markets\\_Report.pdf](http://trade.gov/topmarkets/pdf/Media_and_Entertainment_Top_Markets_Report.pdf) Web, accessed 08/08/2017

line of fit has an  $R^2$  of 0.9365 indicating it is a strong fit to the data. This would appear to indicate the global trade openness has begun to decline and will continue to do so if it continues on its current trend.

### Liberal Hegemonic Order

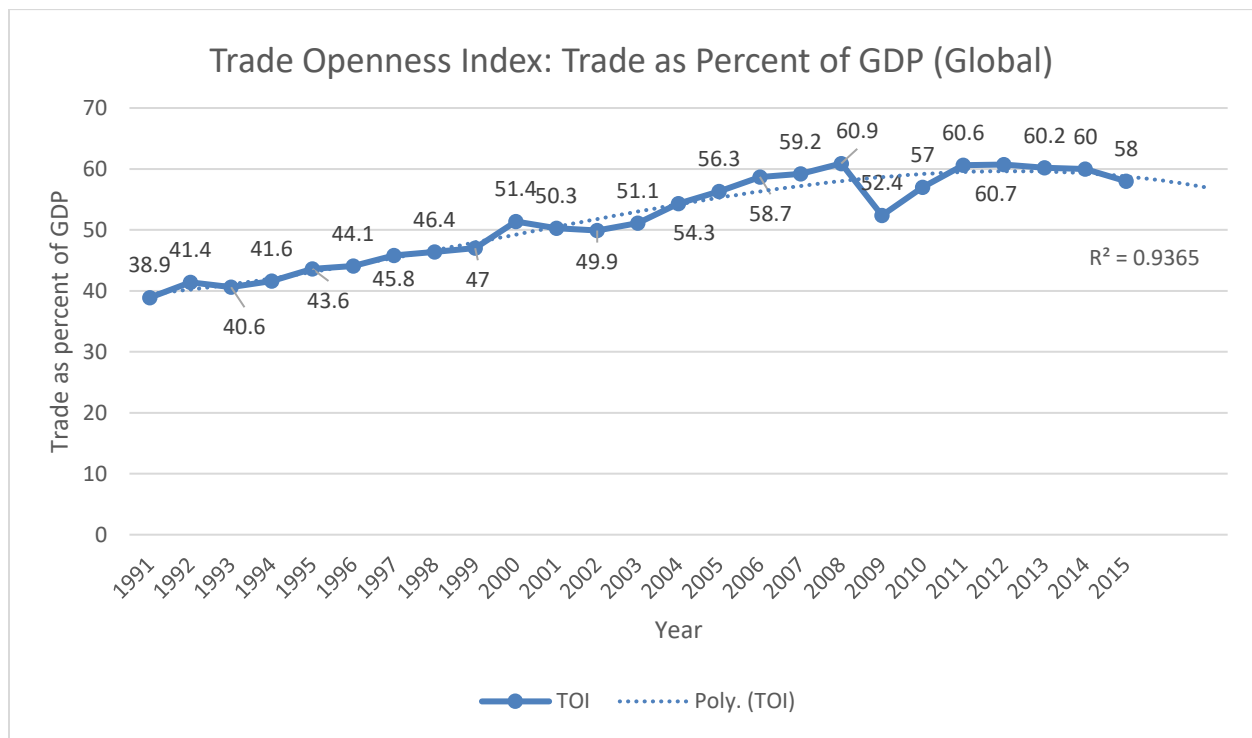


Figure 27. Trade openness index. Data source: World Bank.

The narrative from Freedom House describing the current state of democracy in the world is not one which inspires hope and courage. Rather, their tracking of freedom and democracy indicators show a world increasingly slipping into authoritarianism and populist nationalism. Their most recent publication, *Freedom In the World 2017, Populists and Autocrats: The Dual Threat to Global Democracy*, claims that the world is seeing more countries pull away from democracy and embrace nationalism. For the 11<sup>th</sup> year in a row, more countries



have seen a decline in democratic indicators than those that have seen an increase. According to the report:

“All of these developments point to a growing danger that the international order of the past quarter-century—rooted in the principles of democracy, human rights, and the rule of law—will give way to a world in which individual leaders and nations pursue their own narrow interests without meaningful constraints, and without regard for the shared benefits of global peace, freedom, and prosperity.”<sup>131</sup>

The report makes the point that previous years that experienced aggregate declines in democracy saw decline focused on autocracies descending deeper into autocratic rule. However, recent years, 2016 especially, saw democratic decline occur to a greater degree in previously free democracies. A quarter of the 67 countries that experienced democratic declines were in Europe where America has at minimum maintained a regional hegemony.

The report goes on to say that Russia’s interference in the elections of multiple actors, including the United States, has threatened the democracies of central Europe. The expansion of China’s military into the South China Sea despite a ruling by an international tribunal demonstrates China’s desire for increased regional influence at the expense of international law and norms. The election of Donald Trump to the America presidency has also aroused fears that the United States will withdraw from its position as the global proponent of democratic values. Donald Trump made the claim that if he lost the election would have been rigged, his insistence that his political opponent be imprisoned, and his position of allowing Russia to control the outcome of Syria and possibly Ukraine have all cast doubt on America’s

---

<sup>131</sup> Freedom in the World 2017, “Populists and Autocrats: The Duel Threat to Global Democracy.” Freedom House. <https://freedomhouse.org/report/freedom-world/freedom-world-2017> Web. Accessed 0710/2016

commitment to the liberal world order. Democracy and human rights, the report claims, can no longer be argued to be core tenets of American foreign policy.<sup>132</sup>

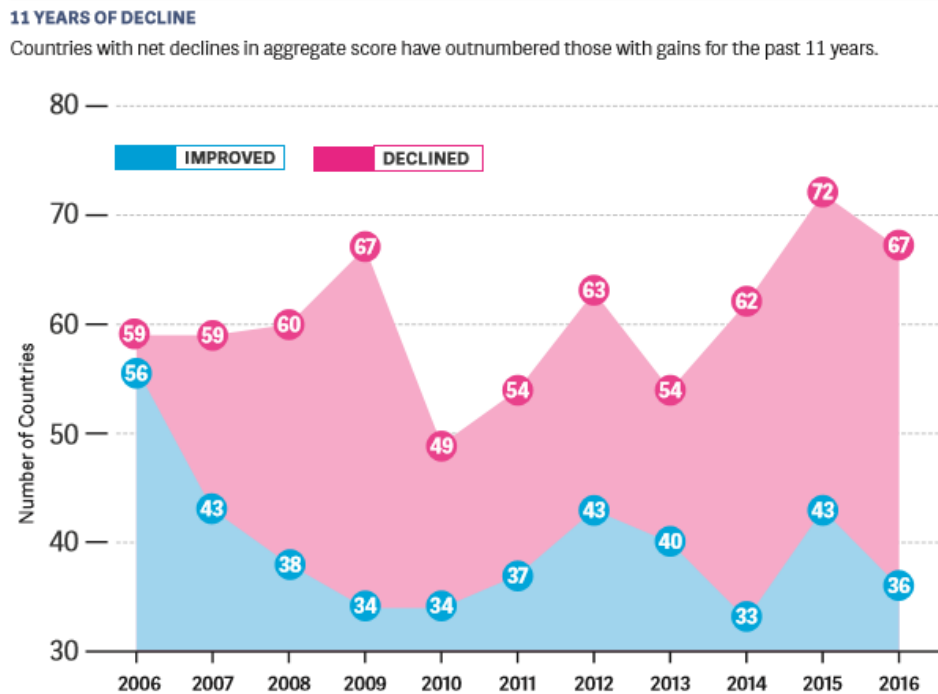


Figure 28. Freedom House measurements of declines in democracy.

Security aid provided by the United States has increased since the early 2000s, largely thanks to the ongoing war on terror. Prior to the 2001 terrorist attacks, the U.S. spent far less on security aid to foreign actors. Like the trade openness index, the data at first glance appears to indicate a slow and steady rise in US security aid provision. However, when adding a polynomial line of fit, a significant downward trend appears. The line of fit has an  $R^2$  of 0.8021 indicating it is a moderately strong fit to the data. According to the line of fit, should American security aid trends continue, the U.S. will continue to reduce its security aid commitments.

<sup>132</sup> Freedom in the World 2017, "Populists and Autocrats: The Duel Threat to Global Democracy." Freedom House. <https://freedomhouse.org/report/freedom-world/freedom-world-2017> Web. Accessed 0710/2016

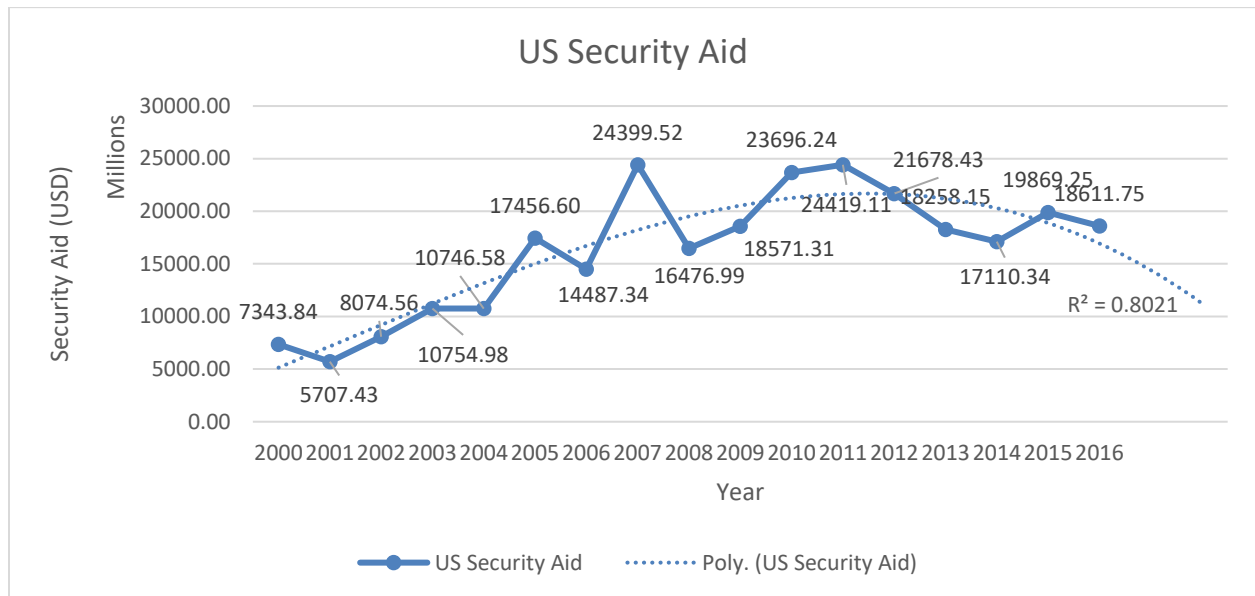


Figure 29. US security aid. Data source: Security Assistance Monitor.

## CHAPTER 6. DISCUSSION

This thesis is intended to contribute to the existing literature by providing a clear picture of the decline in national power of a prevailing hegemon, the ascension of legitimate challenger, and the erosion of a hegemonic order as a result. By setting a relative power threshold equal to eighty percent of the prevailing hegemon's power, a potential legitimate challenger could be identified by their share of the distribution of power. Should there be a challenger to American hegemony, then we should see the United States hegemony begin to erode as the hegemon becomes unwilling or unable to uphold the status quo. The challenger will simultaneously try and establish its own hegemonic order reflecting its policy preferences and norms.

The United States maintains a preeminence in multiple metrics of both hard and soft power. The U.S. continues to possess the largest economy in the world with a GDP over \$18 trillion. While the U.S. has been surpassed in terms of population and standing army size, it spends more on its military than the next fifteen countries combined, including both China and Russia.<sup>133</sup> The U.S. attracts more international students than any other country and maintains an enormous advantage in R&D spending. Having observed fifteen quintessential metrics of power identified by previous authors and myself as having a strong impact on the ability of an actor to influence others, the United States saw a decline in power in eight of those fifteen. Seven of these would constitute a relative decline with either China or Russia closing the gap with the U.S. One metric, military spending, saw an absolute decline starting in 2011 due to the

---

<sup>133</sup> "Military expenditure by country, in constant (2015) US\$ m," *Stockholm International Peace Research Institute*, <https://www.sipri.org/sites/default/files/Milex-constant-2015-USD.pdf> Web, Accessed 07/016/2016

sequestration cuts included in the 2011 budget. A decline in a majority of power metrics with most of those declines being considered relative declines supports my first hypothesis.

China has increased its power capabilities over the past twenty years, dramatically in some cases. China continues to maintain the largest population and standing military in the world, and while their GDP does not reach the eighty percent challenger threshold, it has seen considerable growth for years and has lifted China to the rank of the second largest global economy. Economic forecasts predict that continued growth will propel the Chinese economy to the number one spot within two decades or sooner. While China falls short in petroleum production, it dominates the market in iron ore and raw steel production and has surpassed the U.S. in primary energy consumption. Increases in research and development spending has made China a competitor to the U.S. which has dominated R&D for years. A massive population has meant high education spending and an increasing number of graduates in higher education.

Of the fifteen metrics of power that were observed, China has either surpassed the United States or could be considered a challenger in nine of them which supports my second hypothesis. This result would appear to reinforce the claim made by numerous authors that China is a challenger to U.S. hegemony and is the most likely actor to replace U.S. hegemony in the future.

Observation of national power metrics demonstrates Russia is not a viable challenger to American hegemony on a global scale. While Russia has demonstrated an ability to affect their neighbors, it is unlikely that they will be able to establish a solid sphere of influence as they had during the Cold War. After the Russian invasions of Georgia and Ukraine, Russia found itself largely isolated in the global community. Its neighbors continued to seek the help of NATO for

their protection, and economic sanctions have been leveled against Russia which have had a visible effect on their economic growth. They have the ability to influence their neighbors, however, not to the effect of establishing any form of regional hegemony. With only being able to challenge the United States in four of the fifteen observable power metrics, my third hypothesis predicting Russia to not be a legitimate challenger appears to be supported.

The three core tenets of the liberal hegemonic order identified as being central to American hegemony were trade openness, the spread of liberal democracy, and the security guarantee of the United States. The data shows that all three of these categories have begun to decline. Trade openness, measured by observing the value of international trade as a percentage of GDP, showed a steady increase followed by a slow decrease. Inserting a polynomial line of fit shows that this declination trend is likely to continue. It is possible that trade openness could start to decline at a greater rate as economic nationalism has risen sharply in recent years as people see their countries as being taken advantage of or held back by globalism and trade. The exit of Great Britain from the European Union was an explosive exercise in this fact as Britain saw itself as being taken advantage of, and chose to remove itself from the political-economic union. Similarly, the withdrawal of the United States from the Trans Pacific Partnership as well as the insistence by the new administration that NAFTA must be renegotiated stands as further additional evidence to this point.

Global democracy is experiencing an alarming downward trend. Eleven consecutive years of decline in democratic values and policies around the world indicates that the United States is either unwilling or unable to maintain this core principle of the liberal hegemonic order. Partly to increasing nationalism, partly to interstate and intrastate conflict, democratic

values and institutions have begun to recede in favor of more autocratic and authoritarian policies. Under the administration of President Donald Trump, the U.S. is not likely to attempt to refocus on spreading democracy based on some of the rhetoric that has come from the current president.

While the United States continues to outspend the world in military spending, its commitment to its traditional position as global security grantor has been called into question. The new administration has expressed repeated skepticism of NATO, the landmark defense institution of American hegemony, and of our allies. Some of these allies have perceived the new “America first” policies of the Trump administration as a signal that they need to rely on themselves for their own security.

In addition to questioning our own place as the global source of security, we are seeing the establishment of new security apparatuses by potential challengers and allies alike. The most obvious challenge the United States faces is the regional aggression shown by the Russian Federation. Rather than just engaging in positioning and posturing, Russia has gone as far as to invade a neighbor, annex strategic territory, resume Cold War era bomber patrols, and carry out numerous cyber-attacks against the U.S. And its allies.

China has expanded its military reach by claiming and creating islands in the South China Sea, allowing them to potentially establish military control over high traffic trade routes. China has also opened and garrisoned its first overseas military base in Djibouti. While this single base pales in comparison to the dozens of bases maintained by the United States, it does signify an intent by a rival state and challenger to expand their military reach.

With declines observed in global trade openness, democratic indicators, and U.S. global security indicators, the analysis supports my fourth, fifth, and sixth hypotheses. This ultimately lends weight to the argument that the liberal hegemonic order of the United States is beginning to erode as the U.S. observes a relative decline in national power, reducing its ability to enforce or maintain that order. This would appear to contradict the claims made by authors such as John Ikenberry and Robert Keohane who argued that the liberal economic order would remain stable in the face of American decline.

### **Additional Research**

An important area where additional research can be conducted is in the dynamics of different power metrics. If one can establish a way of empirically weighing the impact of one measure of national power against another, this could revolutionize the way in which geopolitics is studied and hegemons are assessed. An ordering or weighing of the impact of different capabilities could also help us to understand the effects of both relative and absolute decline on influential actors and how potential challengers may seek to expand their influence.

One additional area that will require better understanding in the future is in the effect of technology on hegemony. As Gramsci articulates, one of the most important factors in establishing and maintaining hegemony is to control the narrative and thereby being able to influence policy preferences. Innovations like the internet and cell phone have changed the way in which soft power can be applied in the economy and global politics. As more of the global population gain access to the information super highway, thereby making instantaneous communication and information becomes more accessible, how will this affect the ability of a hegemonic actor to control the message and influence others through soft power?



## **CHAPTER 7. CONCLUSION**

The purpose of my thesis was to examine the prospect of United States hegemonic decline through an analysis of national power capabilities along with indicators of the liberal economic order. Specifically, I intended to explore whether the United States has experienced a relative decline in national power capability which, according to hegemonic stability theory, would coincide with a decline of the international system established by the U.S.

After observing fifteen metrics of national power it is clear that the United States has experienced a relative decline in national power in a majority of those observations. Thanks to high GDP growth in China, the gap between the U.S. and Chinese economy is shrinking with every passing year. With their enormous advantage in population, they have the potential to see even greater economic success as their economy modernizes and more of their population enter the middle class. China leads the world in the production of raw iron and steel and in the consumption of energy. Their military is continuing to modernize and challenge the United States by claiming additional islands, deploying new missiles meant to sink U.S. carriers, and carrying out cyber-attacks against U.S. businesses and infrastructure. China has also begun investing in expanding its soft power to become more appealing to foreign actors, and have begun to establish their own economic institutions with the creation of the Asian Infrastructure Investment Bank and the New Development Bank. Soft power expansion, multi-national economic institutions, and military expansion are all hallmarks of a rising power seeking to establish its own hegemony as the prevailing hegemon sees its power advantage continue to dwindle. World leaders will need to contend with the fact that the United States will not be the superpower forever. Eventually, a rising challenger will establish its own global order based on

its practices and norms. The United States must decide how it will react to decline, whether to acquiesce to new leadership, or seek to punish the challengers and risk a new hegemonic war.

### BIBLIOGRAPHY

- International Trade Administration, "2016 Top Markets Report: Media and Entertainment," United States Department of Commerce, October 2016.  
[http://trade.gov/topmarkets/pdf/Media\\_and\\_Entertainment\\_Top\\_Markets\\_Report.pdf](http://trade.gov/topmarkets/pdf/Media_and_Entertainment_Top_Markets_Report.pdf)
- "2017 United States Military Strength," *Globalfirepower.com*. accessed March 24, 2017,  
[http://www.globalfirepower.com/country-military-strength-detail.asp?country\\_id=united-states-of-america](http://www.globalfirepower.com/country-military-strength-detail.asp?country_id=united-states-of-america)
- "2017 Russia Military Strength," *Globalfirepower.com*. accessed March 24, 2017,  
[http://www.globalfirepower.com/country-military-strength-detail.asp?country\\_id=russia#powerindex](http://www.globalfirepower.com/country-military-strength-detail.asp?country_id=russia#powerindex)
- "2017 China Military Strength," *Globalfirepower.com*. accessed March 24, 2017,  
[http://www.globalfirepower.com/country-military-strength-detail.asp?country\\_id=china](http://www.globalfirepower.com/country-military-strength-detail.asp?country_id=china)
- Bocock, Robert. *Hegemony*. New York: Tavistock Publications, 1986.
- Brzezinski, Zbigniew. *Strategic Vision: America and the Crisis of Global Power*. New York: Basic Books, 2012.
- Catley, Bob. "Hegemonic America: The Benign Superpower?" *Contemporary Southeast Asia* 18, no. 4 (1997): 377-399.
- Chase-Dunn, Christopher, Andrew Jorgenson, Thomas E. Reifer, and Shoon Lio, "The Trajectory of the United States in the World System: A Quantitative Reflection." *Sociological Perspectives* 48, no. 2 (2005): 233-254.
- Chase-Dunn, Christopher, Roy Kwon, Kirk Lawrence, and Hiroko Inoue. "Last of the hegemons: U.S. decline and global governance." *International Review of Modern Sociology* 37, no.1 (2011): 1-29.
- "China increases education spending in 2016," *Chinadaily.com*. May 4, 2017,  
[http://www.chinadaily.com.cn/china/2017-05/04/content\\_29203196.htm](http://www.chinadaily.com.cn/china/2017-05/04/content_29203196.htm)
- Clark, Ian. "Bringing Hegemony Back in: The United States and International Order." *International Affairs* 85, no. 1 (2009): 23-36.
- Potapova Elizaveta, "Education in the Russian Federation," *World Education News and Reviews* June 6, 2017, <https://wenr.wes.org/2017/06/education-in-the-russian-federation>
- Fontana, Benedetto. "State and Society: The Concept of Hegemony in Gramsci." In *Hegemony and Power: Consensus and Coercion in Contemporary Politics*, edited by Mark Haugaard and Howard H. Lentner. Lanham: Lexington Books, 2006.



- Kupchan, Charles A. "The Normative Foundations of Hegemony and The Coming Challenge to Pax Americana." *Security Studies* 23, no. 2 (2014): 219-257.
- Layne, Christopher. "Impotent Power? Re-examining the Nature of America's Hegemonic Power." *National Interest* no. 85(2006): 41-48.
- Mead, Walter Russell. "The Tea Party, Populism, and the Domestic Culture of U.S. Foreign Policy." In *The Domestic Sources of American Foreign Policy: Insights and Evidence*, by James M. McCormick. Plymouth, UK: Rowman & Littlefield Publishers, Inc, 2012.
- Mearsheimer, John. *The Tragedy of Great Power Politics*. New York: W.W. Norton & Company, 2001.
- "Media and Entertainment Spotlight: The Media and Entertainment Industry in the United States," SelectUSA.gov, accessed June 19, 2017, <https://www.selectusa.gov/media-entertainment-industry-united-states>
- Milner, Helen V. "International Political Economy: Beyond Hegemonic Stability." *Foreign Policy* no. 110 (1998): 112-123.
- Modelski, George. *Long Cycles in World Politics*. Seattle: University of Washington Press, 1987.
- Morgenthau, Hans J. *Politics Among Nations: The Struggle for Power and Peace*. New York: Alfred A. Knopf, 1973.
- Nye, Joseph S. "Get Smart: Combining Hard and Soft Power." *Foreign Affairs* 88, no. 4 (2009): 160-163.
- Nye, Joseph S. *Is The American Century Over?* Cambridge: Polity Press, 2015.
- Nye, Joseph S. *Soft Power: The Means to Success in World Politics*. New York: Public Affairs, 2004.
- Nye, Joseph S. *The Future of Power*. New York: Public Affairs, 2011.
- Organski, A.F.K. *World Politics*. Toronto: Random House of Canada, 1968.
- Puddington, Arch and Tyler Roylance. "Populists and Autocrats: The Dual Threat to Global Democracy," Freedom House, accessed June 18, 2017. [https://freedomhouse.org/sites/default/files/FH\\_FIW\\_2017\\_Report\\_Final.pdf](https://freedomhouse.org/sites/default/files/FH_FIW_2017_Report_Final.pdf)
- "Russia Wants 'Pragmatic' Ties with US and a 'Post-West World Order'" Associated Press, accessed February 18, 2017. <http://nypost.com/2017/02/18/russia-wants-pragmatic-relations-with-us/>.
- "Right Direction or Wrong Track." *Rasmussen Reports*. 12 March, 2017. [http://www.rasmussenreports.com/public\\_content/politics/top\\_stories/right\\_direction\\_wrong\\_track\\_apr3](http://www.rasmussenreports.com/public_content/politics/top_stories/right_direction_wrong_track_apr3)

Saad, Lydia. "Americans See China as Top Economy Now, but U.S. in Future." *Gallup*. 22 February, 2016, <http://www.gallup.com/poll/189347/americans-china-top-economy-future.aspx>

Schleicher, Charles P. *Introduction to International Relations*. New York: Prentice-Hall Inc, 1954.

"Security Aid Pivot Table," *Security Assistance Monitor*, Accessed March 12, 2017.  
<https://www.securityassistance.org/data/country/military/country/2000/2016/all/Global/>

Smith, Martin A. *Power in the Changing Global Order: The U.S., Russia, and China*. Cambridge: Polity Press, 2012.

Snyder, Jack. "The Myths of Empire and Strategies of Hegemony." In *Lessons of Empire: Imperial Histories and American Power*, edited by Craig Calhoun, Frederick Cooper, and Kevin W. Moore, 270-282. New York: The New Press, 2006.

"SIPRI Military Expenditure Database," *Stockholm International Peace Research Institute*, accessed March 10, 2017. <https://www.sipri.org/databases/milex>

Tammen, Ronald L., Jacek Kugler, Douglas Lemke, Allan C. Stam III, Mark Abdollahian, Carole Alsharabati, Brian Efir, and A.F.K. Organski. *Power Transitions: Strategies for the 21st Century*. New York: Seven Bridges Press LLC, 2000.

"The World Fact Book: Middle East: Qatar," *CIA.com*, accessed June 15, 2017,  
<https://www.cia.gov/library/publications/the-world-factbook/geos/qa.html>.

U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*, 1991, Washington D.C.

U.S. Department of Education. *FY 2016 Education Budget Fact Sheet*, 2016, accessed July 1, 2017, <https://www2.ed.gov/about/overview/budget/budget16/budget-factsheet.pdf>

"World Development Indicators: GDP." *The World Bank*.  
<http://databank.worldbank.org/data/reports.aspx?source=2&series=NY.GDP.MKTP.CD&country>

"World Development Indicators: Population." *The World Bank*.  
<http://databank.worldbank.org/data/reports.aspx?source=2&series=SP.POP.TOTL&country=>

The World Bank. "World Development Indicators: Military personnel." *The World Bank*.  
<http://databank.worldbank.org/data/reports.aspx?source=2&series=MS.MIL.TOTL.P1&country=>

"World Development Indicators: Inbound international students." *The World Bank*.  
[http://databank.worldbank.org/data/reports.aspx?Report\\_Name=Tertiary-Education&Id=2c670ebf#](http://databank.worldbank.org/data/reports.aspx?Report_Name=Tertiary-Education&Id=2c670ebf#)

"World Development Indicators: Tertiary level graduates." *The World Bank*.  
<http://databank.worldbank.org/data/reports.aspx?source=education-statistics~-all-indicators&preview=on>

"World Development Indicators: Trade Openness Index." *The World Bank*.  
<http://data.worldbank.org/indicator/NE.TRD.GNFS.ZS?end=2016&start=1991>

Vezirgiannidou, Sevesti-Eleni. "The United States and Rising Powers in a Post-Hegemonic Global Order." *International Affairs* 89, no. 3 (2013): 635-631.

Volgy, Thomas J., Kieth A. Grant, and Elizabeth Faussett. "Searching for Changing Global Transition: Where is the Post-Cold War Order." in *Systemic Transitions: Past, Present, and Future*, edited by William R. Thompson, 101-130. New York: Palgrave Macmillan, 2009.

Wallerstein, Immanuel M. *World Systems Analysis*. Durham: Duke University Press, 2004.

Watson, Adam. *Hegemony and History*. Routledge: New York, 2007.