

war stories

2020 Vision

A CIA report predicts that American global dominance could end in 15 years.

By Fred Kaplan

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Who will be the first politician brave enough to declare publicly that the United States is a declining power and that America's leaders must urgently discuss what to do about it? This prognosis of decline comes not (or not only) from leftist scribes rooting for imperialism's downfall, but from the [National Intelligence Council](#)—the "center of strategic thinking" inside the U.S. intelligence community.

The NIC's conclusions are starkly presented in a new 119-page document, "[Mapping the Global Future: Report of the National Intelligence Council's 2020 Project](#)." It is unclassified and available on the CIA's Web site. The report has received modest press attention the past couple weeks, mainly for its prediction that, in the year 2020, "political Islam" will still be "a potent force." [Only a few](#) stories or columns have taken note of its central conclusion:

The likely emergence of China and India ... as new major global players—similar to the advent of a united Germany in the 19th century and a powerful United States in the early 20th century—will transform the geopolitical landscape with impacts potentially as dramatic as those in the previous two centuries.

In this new world, a mere 15 years away, the United States will remain "an important shaper of the international order"—probably the single most powerful country—but its "relative power position" will have "eroded." The new "arriviste powers"—not only China and India, but also Brazil, Indonesia, and perhaps others—will accelerate this erosion by pursuing "strategies designed to exclude or isolate the United States" in order to "force or cajole" us into playing by their rules.

America's current foreign policy is encouraging this trend, the NIC concluded. "U.S. preoccupation with the war on terrorism is largely irrelevant to the security concerns of most Asians," the report states. The authors don't dismiss the importance of the terror war—far from it. But they do write that a "key question" for the future of America's power and influence is whether U.S. policy-makers "can offer Asian

states an appealing vision of regional security and order that will rival and perhaps exceed that offered by China." If not, "U.S. disengagement from what matters to U.S. Asian allies would increase the likelihood that they will climb on Beijing's bandwagon and allow China to create its own regional security that excludes the United States."

To the extent that these new powers seek others to emulate, they may look to the European Union, not the United States, as "a model of global and regional governance."

This shift to a multipolar world "will not be painless," the report goes on, "and will hit the middle classes of the developed world in particular" with further outsourcing of jobs and outflow of capital investment. In short, the NIC's forecast involves not merely a recalibration in the balance of world power, but also—as these things do—a loss of wealth, income, and, in every sense of the word, security.

The trends should already be apparent to anyone who reads a newspaper. Not a day goes by without another story about how we're mortgaging our future to the central banks of China and Japan. The U.S. budget deficit, approaching a half-trillion dollars, is financed by their purchase of Treasury notes. The U.S. trade deficit—much of it amassed by the purchase of Chinese-made goods—now exceeds \$3 trillion. Meanwhile, China is displacing the United States all across Asia—in trade, investment, education, culture, and tourism. It's also cutting into the trade markets of Latin America. (China is now Chile's No. 1 export market and Brazil's No. 2 trade partner.) Asian engineering students who might once have gone to MIT or Cal Tech are now going to universities in Beijing.

Meanwhile, as the European Union becomes a coherent entity, the dollar's value against the euro has fallen by one-third in the past two years (one-eighth just since September). As the dollar's rate of return declines, currency investors—including those who have been financing our deficit—begin to diversify their holdings. In China, Japan, Russia, and the Middle East, central bankers have been unloading dollars in favor of euros. The Bush policies that have deepened our debt have endangered the dollar's status as the [world's reserve currency](#).

What is the Bush administration doing to alter course or at least cushion the blow? It's hard to say. During Condoleezza Rice's confirmation hearings last week, Sen. Paul Sarbanes, D-Md., raised

some questions about the nexus between international economics and political power. Rice referred him to the [secretary of the treasury](#).

The NIC issued the report a few weeks before [Bush's inaugural address](#), but it serves to dump still more cold water on the lofty fantasy of America delivering freedom to oppressed people everywhere. In Asia, the report states, "present and future leaders are agnostic on the issue of democracy and are more interested in developing what they perceive to be the most effective model of governance." If the president really wanted to spread freedom and democracy around the planet, he would (among other things) need to present America as that "model of governance"—to show the world, by its example, that free democracies are successful and worth emulating. Yet the NIC report paints a world where fewer and fewer people look to America as a model of anything. We can't sell freedom if we can't sell ourselves.

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A Google hunt reveals that, among mainstream American papers, only [Knight Ridder](#), [USA Today](#), and Dan Sneider's foreign-affairs column in the [San Jose Mercury News](#) caught the main points of the NIC report. In an otherwise excellent story, the [Washington Post](#) emphasized what the report said about political Islam and terrorism; it mentioned the rise of China and India only in the final paragraph. The *New York Times* appears not to have covered the report at all.

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