Vassilis K. Fouskas and Bülent Gökay. The Fall of the US Empire: Global Fault-Lines and the Shifting Imperial Order

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In 1941 Henry R. Luce, the co-founder and editor-in-chief of Time Inc., wrote a *Life* magazine editorial titled “The American Century.” In that article he outlined his vision of what he believed ought to be America’s role in the world both in his day and for the next hundred years. At the time World War II was in full motion, having started in 1939, and the Japanese attack at Pearl Harbor, which compelled the USA to join the war, was still ten months away. In short, Luce viewed American non-participation in the war as a grave mistake, and urged Americans to: “… accept wholeheartedly our duty and our opportunity as the most powerful and vital nation in the world and in consequence to exert upon the world the full impact of our influence, for such purposes as we see fit and by such means as we see fit.” While some see Luce’s statement as prophetic, in terms of predicting US superpower status after 1945, others are more dismissive about his claims noting that the US had been on an upward power trajectory well before the outbreak of hostilities in 1939. And others would find Luce’s proclamation of the twentieth century as ‘The American Century’ just another example of America’s missionary zeal and imperial ambitions. In less than three decades since its publication in 1941, the discourse of American decline emerged in earnest as a result of the turbulent 1960s, a lost war in Vietnam, and a serious economic recession by the early 1970s. From that point to the
present, at irregular intervals, writers and scholars have written at times compelling accounts and at other times rather unconvincing studies of the imminent decline and fall of the USA. With the events of 9/11, the two-term presidencies of George W. Bush, two difficult and prolonged wars in Asia, a global economic recession, and a heated presidential battle between President Obama and his opponent Mitt Romney, Americans seem to be wondering if 'The American Century' is in eclipse. Vassilis K. Fouskas and Bülent Gökay have a clear response to any questioning of American decline. In their volume, *The Fall of the US Empire: Global Fault-Lines and the Shifting Imperial Order*, the authors provide an analysis which challenges mainstream explanations of US economic decline and the current global financial crisis.

This volume by Fouskas and Gökay was published in 2012, providing a current analysis and explanation of the present state of political-economic affairs. The content of the book is divided into six chapters with an introduction and conclusion. Included is a list of abbreviations (acronyms), which is helpful for readers that might not have the necessary political, economic or historical background. Also, the references used by the two authors are extensive and offer sufficient detail and coverage of the pertinent scholarship. Throughout the book the two authors’ main focus is the root causes of the current economic crisis and the malfunctioning of the current neoliberal economic structure which is dominated by US political-economic hegemony. They claim that the current economic crisis started in the late 1960s and the beginning of the 1970s, and that globalist, neoliberal policies have consistently failed to offer adequate solutions for economic recovery. Moreover, a major impact on this crisis is linked to the decline of American imperial power in the capitalist world and the shift of global economic power to the East. Since the US has been the leading economic power since WWI, it has also influenced greatly in the international structures and economic conditions of other European, Asian, Latin American, and African countries. The shift from a Western to Eastern dominated international capitalist core might lead to a repetition of the same economic malfunctions should the East fail to respond to the short-comings inherent in finance capitalism. The two authors identify three key vulnerabilities in the power shifting and these are: the historical global background financialization, the environmental catastrophe, and finite natural raw material. More specifically, Fouskas and Gökay use the term ‘global fault-lines’ to identify specific aspects of the global environment which the current economic system impacts negatively. This term covers aspects of the uneven and combined economic, geopolitical, environmental, and political developments which have been increasing since the 1960s. As they explain in the introduction: “We conceive of the term as referring to a post-Hegelian and post-Marxian totality across historical time and space, and whose elements and instances (political, economic, cultural, ideological, societal, geopolitical, geographical and ecological) are discursively interconnected, articulated and mingled, invariably generating political and economic change, global hegemonic transitions and power shifts” (xviii). In their critique of the current global economic context, they argue for the necessity of a new economic order that will focus on satisfying social needs and sustainable human development rather than maximizing profits. What the system of capitalism, they argue, “does most efficiently, especially when left to itself, is to create and increase social and political inequalities. And what it does most inefficiently is account for social needs and systematic change” (101). The authors support their claims with an array of examples which shed light on the incessant shortcomings of the capitalist system.
In using historical events and cases of financial maneuvering in great detail Fouskas and Gökay illustrate the intensification of globalization/financialization in the ‘Western World’ as led by Anglo-American foreign and economic policies, which the authors claim are the reasons for the housing and mortgage bubbles as well as the economic crisis as a whole. They also criticize the Bretton Woods institutions by saying that they were and are tools of enforcing neoliberalism and globalization which are “the flip sides of the same coin.” They link the Bretton Woods institutions with the USA’s dominant economic control and with the price manipulation of petroleum and of the international weapons trade. Furthermore, Fouskas and Gökay focus on these events in great detail because they want to prove that the economic measures that the USA is enforcing in order to recover from the crisis are actually worsening the crisis. As a result, they claim that the approach to the crisis should not be taken from a neoliberal point of departure, but from a socialist alternative.

While this volume identifies serious global challenges such as environmental degradation, resource depletion, and the unsustainability of current patterns of capitalist development schemes, it is only the latter that is discussed at length. The aforementioned points related to ecological concerns are addressed in a cursory manner. Similarly, the ‘socialist alternative’ is not really taken up by the authors. This lack of attention to the political-environmental thesis of the book along with extensive coverage of the economic side of US hegemony might be problematic for some readers that might have preferred a more balanced and holistic approach. Some also might wonder about Fouskas and Gökay’s explanation of the Cold War as “an artificial/ideational construction serving political and economic purposes within the Western core, rather than a ‘natural’ confrontation stemming from the antagonistic relationship of the two social systems” (78). It is this sort of one dimensional analysis that simplifies particular events and processes requiring more developed explanations.

Of greater significance are the authors’ arguments about globalization and the altering geography of power. First, Fouskas and Gökay give the impression that globalization is an American driven phenomenon. In their discussion about the tragedy of globalization they describe it as a “US-led policy undermining the very dominance of the United States in the world socio-economic system” (xvi). In short, the American Frankenstein created the monster of globalization. So, were the results of globalization a foreseeable and desirable outcome—that being new capitalist competitors challenging American global economic hegemony? Or, for example, was the rise of Japan, the European Union, and China a totally inadvertent outcome of US political-economic maneuvering during the latter part of the twentieth century? Our point here is that while the USA played a major role in unleashing the forces of globalization it might be misleading to argue that globalization is a purely American generated project.

Another area of focus in this volume concerns shifts in global power. As the authors suggest, the “new rising centers are not necessarily particular territorial states, but an ensemble of powers across the globe which—for lack of a better term and because of an overuse of the term ‘global South’—we call the ‘global East’.” This includes primarily China, India, Brazil and Russia” (31). One observation might be that substituting an inaccurate term (the global South), with an equally problematic concept such as (the global East) does not contribute to our knowledge and understanding of the world. Furthermore, are these ‘powers’ unified in any particular way? Do the so-called BRIC nation-states seek to undermine American economic predominance? If so, some might
recall the supposed hegemonic threats of the USSR, Japan, the European Union, and the Pacific Rim countries as serious contenders for global economic influence at the expense of the USA. Such prospects, one might point out, never did materialize. What therefore seems evident is the following: while the USA is indeed losing control and power in the economic sphere, might it be that other countries are merely ‘catching-up’ to the USA? By referring to particular nation-states or groups thereof as new centers of emerging power, are we failing to appreciate the full complexity of transnational/globalizing trends and practices? Do we not need to take into account the newly emerging geographies of power that have resulted from changes in global relations?

Notwithstanding these observations one must note a number of impressive qualities present in this volume. First and foremost, much of Fouskas and Gökay’s non-mainstream critique of the capitalist system is justified. Depressions, recessions, economic downturns, and the economic crisis of 2008 seem to be inherent products of that system. Such a message will resonate with a reading audience affected by the crippling economic realities of the present. By highlighting the failures of specific capitalist policies the authors make a number of their positions quite credible whether pertaining to the issue of deregulation of finance capital and speculation practices, or petrodollars and global weapons procurement. Finally, this book, The Fall of the US Empire: Global Fault-Lines and the Shifting Imperial Order, compellingly suggests the need for an alternative to global capitalism, that being socialism. As the authors state, the socialist alternative is built on the assumption that “society is an inclusive social compact that builds structures around the human needs of the many, rather than the profits and privileges of the few” (151). It is an attractive notion in times of stability and calm, but doubly appealing in times of crisis and despair.

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