

The Problem with George: US Hegemony in Disarray

By Peter Van Ness

MUNTAZER AL-ZAIDI, the Iraqi reporter who threw his shoes at President George W. Bush during a press conference in Baghdad on Dec. 14, may have planned his affront long in advance or simply acted out of pent up rage. “This is a goodbye kiss from the Iraqi people, dog,” he cried out, aiming one shoe, then the other at the global hegemon. But his daring strike, and the popular outburst of support that it has prompted, marks a historic transformation of America’s diminished global power.

Sharing this moment, two meetings of national leaders at different ends of the world, held at almost the same time, confirmed the transition. For the first time in history, the leaders of China, Japan and South Korea held a formal summit meeting without the United States, committing themselves to work together to contain the disastrous effects of the US financial crisis. Meanwhile, in Sauipe, a tourist spot in Brazil’s Bahia state, the presidents of 31 Latin American and Caribbean countries, including Cuba, also met for the first time without the United States.

The *New York Times* quoted Peter Hakim, president of the Inter-American Dialogue in Washington DC, commenting on the Brazil meeting: “There is no question that this is about exclusion, about excluding the United States.” Riordan Roett from Johns Hopkins University went further. “The United States is no longer, and will not be ever again, the major interlocutor for the countries in the [Latin American] region,” he told the *Times*.

When Japanese Prime Minister Taro Aso hosted a trilateral summit with Chinese Premier Wen

Jiabao and South Korean President Lee Myung Bak in Fukuoka only a few days earlier, no explicit point was made about excluding the US. All three countries have close economic and political ties with Washington, but there was a great deal of discussion about what they might do on their own without the US.

During the East Asian financial crisis of 1997-1998, these three countries had discussed the possibility of establishing an Asian Monetary Fund to prevent future financial debacles, but the US vetoed the idea. This time they committed themselves to expediting the Chiang Mai Initiative, a proposed network of bilateral currency swap arrangements among the ASEAN plus 3 countries, and to studying the possibility of a trilateral free-trade agreement. Other ideas included cooperating in the event of natural disasters, collaborating on aid to Africa, youth exchanges and the development of clean energy. They plan to meet for a second trilateral summit next year in China, and again in 2010 in South Korea.

Recently, Ashley Tellis, a prominent American strategic analyst, published an article entitled “Preserving Hegemony: The Strategic Tasks Facing the United States” in which he identified three key requirements for continued US dominance: maintaining “unqualified military supremacy,” renewing economic strength and restoring American legitimacy around the world. If the US is to remain dominant, he argued, it must prevail in all three areas: military power, economic clout and moral authority. In the last eight years, the United States has produced calamitous failures in all three.

By militarizing the response to the Sept. 11, 2001 attacks and using them as an excuse to launch a “global war on terror,” Bush mobilized the Islamic world against America and the West on a scale that Osama bin Laden might have only dreamed of in his fondest fantasies. Under Bush, the American reaction to conflict or confrontation in the world automatically became a military response, one that typically exacerbated problems rather than resolved them. The invasion of Afghanistan, and especially the assault on Iraq, produced two unwinnable wars that, in turn, have drawn heavily on American economic resources and severely compromised US moral legitimacy.

As the principal source of a global financial crisis that worsens almost hourly, the US has also failed in its economic leadership. Free market fundamentalism and the failure to adequately regulate investment banks, insurance companies and hedge funds have produced the most serious financial crisis since the end of World War II, one with disastrous implications for countries around the world. To compound the problem, the \$50 billion pyramid fraud scheme that Wall Street veteran investor Bernard Madoff devised, which has compromised some of the world’s leading banks, including HSBC, Spain’s largest bank Santander, Nomura and the Royal Bank of Scotland, tragically illustrates the fundamental failures of the US Security and Exchange Commission and other American regulatory institutions. Madoff, the former head of the Nasdaq stock exchange, took advantage of a financial system that had been undermined for decades by an economic ideology rooted in the thinking of Margaret Thatcher and Ronald Reagan. Market fundamentalism was deeply rooted in the thinking of these two leaders.

Perhaps the most difficult aspect of American global leadership to restore is moral legitimacy. When a country persistently and purposefully violates its own most revered principles, little remains of the moral authority vital to a successful claim on world leadership. Torture, violations of habeas corpus, so-called extraordinary rendition and a general failure to hold to account the leaders

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who authorized these policies make a mockery of American claims to be a shining example to the world of human rights and democracy.

Ashley Tellis’s assertion is right — if the United States can demonstrate its military, economic and moral superiority, it might preserve its hegemony. Yet the damage done, especially in the past eight years, makes that a difficult task. But is American hegemony the kind of leadership needed today in a world confounded by the worst financial crisis since the 1930s? President Barack Obama has begun to set a different standard. His election renewed hope in a country greatly in need of inspired leadership. Just to put America’s own house in order would be a major accomplishment for the new president.

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