

## Weekly Commentary 19

*The Decline of the American Empire – it's not about military dominance but about economics...*

Now that the war in Ukraine has been lost, and America is stuck with a combative Netanyahu in Gaza/Iran, as well as aimless wandering in the S China Sea on how to deal with the rise of China, you would think that the United States has lost its way.

Remember, within months of his assuming the presidency in 2020, Joe Biden shouted that he would not allow America to lose its pre-eminence in the world, a Churchillian statement issued by Winston that he did not become prime minister to preside over the dismemberment of the British empire. That was exactly what happened to Winston Churchill. In the case of Biden, three years after his bombast, we are seeing exactly the dissolution of that American empire, just as Churchill could not prevent the British empire from breaking up.

At that time in 2020, I had anticipated that Biden would fail. That was before the Ukraine project, the war in the Middle East and was predicated only on the premise that China would not suffer any loss of momentum in its attempts to grow to become number one economy in the world in spite of efforts by the Americans to contain it.

Well, I was right. The torch has passed to China. But how it came about is truly unexpected. Today, the signs of the decline in the American empire is clear for all to see. After more than two years of lying about success in Ukraine, most western media have no choice but to admit that that war has been lost. Zelensky said so himself, and an American senator, JD Vance, wrote in the NYT last week that **the impending loss against Russia was nothing more than simple math**. Not enough money, munitions or men on the western side.

Is Ukraine that important to America? Of course not. Biden and the Democrats don't care a hoot about Ukrainians, and they could all be dead for all they care. All they want is no loss of face when they have to admit to the victory by the Russians. After all, Russia was the defeated empire in its previous incarnation as the Soviet Union and the defeat of the victor in the Cold War -America – is unthinkable. Instead of asking who lost China as they did in 1948, one day, some American politician in the future will be asking, who lost the empire? The current political leadership is deathly afraid of that responsibility. But it is happening and someone will have to take the fall. Will it be Biden, who imagines himself to be a war president?

As a last ditch effort, the American political elite will not want to admit defeat to Russia, which has been disparaged as the "gas station masquerading as a nation". As such, Biden and his Democrats are doing everything they can to avoid the day of reckoning until after the elections in November. And for nearly six months, they floundered with providing aid to their proxy in Kyiv. Finally, last night, they seem to have gotten their act together to vote on a bill to supply nearly \$100 billion of aid to Ukraine (61 billion), Israel (26 billion) and then more to supply weapons to Taiwan.

But if you ask me, it is too little too late. They may get some money to Ukraine this time, but because that money cannot prevail against Russia, the American empire will have to do it again and again. At some point in time, they will have to give up, either fighting the war in Ukraine or admit that the American empire cannot achieve its geopolitical objectives by just supplying money. That is the definition of the end of empire.

Here are my thoughts on this desperate attempt at maintaining the narrative that the United States of America is still global hegemon.

1) In the \$61 billion approved, Ukraine will only get a small fraction of that. Most of the money will stay in the US and fund the MIC, to replenish the weapons that have already been sent (and destroyed) on the plains of Ukraine). Even if Kyiv spends every dime of what they get on US weapons, there is not enough available to save its butt. And they cannot find enough men to make use of those weapons. The game is over.

2) The genocidal attempt by Israel to chase Palestinians out of Gaza is not a viable plan. It is another forever war. Already, the Houthis and the Iranians are standing tall behind the Gazans. And they are embroiling Israel and its supporters in a missile war that may send oil prices higher over time. If that happens, the Americans will be hurt.

3) They want to send money to Taiwan to buy arms. This is same as any attempt by China to fund a separatist movement in the Caribbean, by say, Puerto Rico to declare independence from Washington. When you are located halfway around the world, this is not a wise strategy. Beijing has already said the Americans say one thing (Taiwan is part of China) and then do something else (send arms to a small island off the coast of China to instigate a war)

The exact congressional funding bills have been reported on by the Wall Street Journal:

### **House Approves Long-Stalled Ukraine Aid**

*Measure heads to Senate over GOP opposition; Israel, Taiwan, TikTok provisions also pass*

*By*

*Natalie Andrews*

### **House Approves Aid for Ukraine and Israel**

*The House passed a \$95 billion aid package on Saturday that included support for Ukraine, Israel and Taiwan. 'The House has made many strong improvements to the Senate bill,' House Speaker Mike Johnson said. Photo: J. Scott Applewhite/AP*

WASHINGTON—The House passed a [\\$95 billion package of bills](#) Saturday that would fund aid and weapons for Ukraine, after House Speaker Mike Johnson put [his political career on the line](#) to push the long-stalled measure past intense Republican opposition.

Lawmakers voted on four separate measures for Ukraine, Israel and Taiwan, and another bill that would force the sale of TikTok by its Chinese-controlled owner.

The first vote, on TikTok and sanctions related to Iran and Russia, passed 360-58, and aid for Taiwan also passed easily. The vote on Ukraine—the most contentious of the four—passed 311 to 112 with one voting present, with all Democrats joined by less than half of Republicans in support. Israel aid then sailed through as well, despite objections from some Democrats over how Israel has handled the war in Gaza.

The measures will be bundled together and sent to the Senate, which will begin consideration of the bill on Tuesday.

“The world is destabilized and it is a tinderbox” that demands American leadership, Johnson said in subdued remarks after the vote, pointing to threats from Russia, China and Iran. “I think we did our work here, and history will judge it well,” he said.

He also chastised Democrats and some Republicans who waved the Ukrainian flags as the voting wrapped up, calling it inappropriate. “We should only wave one flag on the House floor, and I think we know which one that is.”

Ukraine President Volodymyr Zelensky said on social media he was grateful to House lawmakers of both parties “and personally Speaker Mike Johnson for the decision that keeps history on the right track.”

About \$60 billion of the aid package is aimed at helping Ukraine fight off the Russian invasion while funding the U.S. defense industry. The measure also contains \$26 billion for Israel, direct aid as well as money for replenishing U.S. stockpiles and supporting U.S. operations in the region. The proposal allocates about \$8 billion to support Taiwan and the Indo-Pacific, as well as humanitarian aid for Gaza. The TikTok provision gives owner ByteDance up to a year to find a non-Chinese buyer.

President Biden thanked House leaders and the “bipartisan coalition of lawmakers in the House who voted to put our national security first.” He called on the Senate to act quickly and send the bill to his desk.

Critics of more spending and the lack of border provisions weren’t sold.

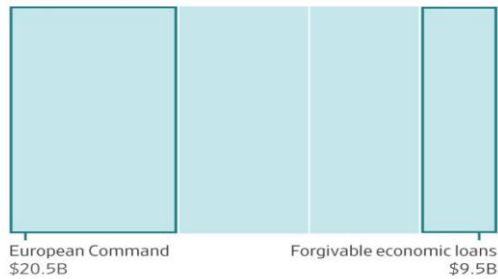
“We should have negotiated a smaller, lethal-only Ukraine bill that was paid for, that had a border security provision to it, and forced the Senate to join us in securing the border,” said Rep. Bob Good (R., Va.).

The House votes came after months of delay, and as Johnson has spoken in stark terms about confronting America’s global adversaries. Johnson has a razor-thin 218-213 majority in the House, leading him to increasingly rely on Democratic votes to pass critical legislation, ranging from keeping the government open to controversial spying powers and now funding overseas allies.

Breakdown of the \$95 billion aid package

### Breakdown of the \$95 billion aid package

**Ukraine** \$60.0 billion



**Israel** \$26.3B



**Indo-Pacific** \$8.1B



Note: Total doesn't equal \$95 billion due to rounding

Source: House Committee on Appropriations

James Benedict/THE WALL STREET JOURNAL

Democrats praised Johnson for bringing the bill up for a vote, but said that he had erred in waiting so long to set aside internal GOP politics and put forward the Ukraine measure.

“He deserves some credit, but he doesn’t deserve an award for courage,” said Rep. Dan Kildee (D., Mich.). “Courage would have occurred two months ago,” he said.

The Senate passed its own foreign-aid bill with bipartisan support earlier this year, and Biden, Republican defense hawks and many Democrats urged Johnson to take it up. But he put off making his decision, as his right flank insisted that any aid measure include a House Republican proposal cracking down on migration at the U.S.-Mexico border, a nonstarter for congressional Democrats.

Delays in aid from Western allies has left Ukrainian forces trying to hold off a much larger army with dwindling resources. Russia eked out gains in the east of the country while slamming Ukrainian cities and critical infrastructure with missiles to sap the country’s air defenses. The U.S. has spent more than \$100 billion on the war in Ukraine since Russia invaded in February 2022.

Johnson had indicated in recent weeks he was close to a decision, and events prodded him to move. Last weekend, Iran launched a wave of more than 300 drones and missiles toward Israel, putting the package front and center once again for members of Congress. Republican leaders ditched their planned agenda of partisan bills, with titles such as “Liberty in Laundry Act,” to instead respond to the attack.

Johnson on Monday announced he would move ahead with not only Israel aid, but a comprehensive foreign-aid bill. He effectively embraced the Senate approach but broke it up into four bills, with extra items thrown in, giving lawmakers a chance to vote for or against different slices of aid and policy. The plan offers one piece of

assistance—\$9.5 billion in economic aid to Ukraine—in the form of a forgivable loan, rather than a grant, to satisfy some critics' demands.

Still, the plan sparked outrage from a swath of GOP colleagues, and some lawmakers said Tuesday they thought the approach was dead. But Johnson stuck to his guns and released the formal bill text Wednesday, daring his GOP antagonists to try to remove him. Democrats helped Johnson move the bill through procedural steps on Thursday and Friday, more than making up for Republican defections.

“We believe in peace through strength, we stand up to totalitarian dictators and that’s what the House did today,” said Rep. Don Bacon (R., Neb.). “I think some are misguided to think that’s not what we should be doing.”

Johnson, who previously had voted against helping Ukraine aid before becoming speaker, said he was motivated by intelligence he had seen on the war. House speakers are second in line for the presidency, behind the vice president, and privy to highly classified briefings. He also warned that if America doesn’t make an investment to stop Russia now, the U.S. may find itself involved in a deeper conflict down the road, while taking a swipe at opponents.

Johnson traveled to Mar-a-Lago earlier this month to meet with former President Donald Trump, who has regularly criticized foreign aid and said Congress should do more to secure the border. Speaking to reporters with Johnson by his side, Trump didn’t criticize the speaker, while insisting that aid to Ukraine should be in the form of a loan.

The success (??) of the Ukraine bill has come at a high cost to Johnson, energizing critics led by Rep. Marjorie Taylor Greene (R., Ga.). She filed a motion to vacate last month but hasn’t forced a vote. She has been joined by two colleagues on the measure, Rep. Paul Gosar (R., Ariz.) and Rep. Thomas Massie (R., Ky.), while others say they are watching developments closely.

Johnson’s Republican critics expect that pressure on him to resign from the speakership will grow in the coming days and weeks, as the Republican base reacts to a decision to clear the way for money to Ukraine without also finding a path forward for the panoply of border-security measures, like restrictions on asylum claims.

“If we had the vote today in our conference, he would not be speaker today,” Greene said of Johnson after the vote. She also lashed out at colleagues. When lawmakers are “waving the Ukrainian flag on the United States House of Representatives floor while we’re doing nothing to secure our border, I think every American in this country should be furious,” she said.

Rep. Seth Magaziner (D., R.I.) brought yellow and blue flags and passed them out as lawmakers voted, a violation of House rules, to show support for the Ukrainian people. “We need to show them and show the world that we have their back,” he said. Rep. Anna Paulina Luna (R., Fla.) yelled at Democrats to “put those damn flags away,” receiving an admonishment herself.

The rapidly approaching November election may save Johnson. Republicans feel that they have put their House majority at risk with their continued infighting. Even Johnson’s loudest detractors are loath to re-create the three weeks of speakerless

mayhem they experienced in September when eight Republicans engineered the ouster of then-Speaker Kevin McCarthy.

“The strategy all along has been to ask the speaker to resign...We’re looking for Mike’s notice,” Massie said. Johnson said he won’t quit.

Even those dissatisfied by Johnson admit to a crucial problem: It would be hard to replace him.

“There is nobody in our conference today...that could get every single Republican vote to become the speaker of the House. So the thing they need to answer is, ‘Who’s your person?’ And they don’t have a plan,” Rep. Austin Scott (R., Ga.) said of those mad at Johnson.

Numerous Republicans even pushed Johnson to slip a rules change into the procedural vote for the security aid bill that would end the potential for mutiny. In the end, Johnson didn’t, saying he didn’t have the majority of Republicans with him.

(This comedy in the US House is hardly the behaviour of a global hegemon. They cannot get their act together. It took six months to get it done. And when the money runs out, is there going to be another one? The armaments and the ammunition can only last for so long. Will there be the political will to go on funding a corrupt client state in Kyiv “for as long as it takes”? I hardly think so, having seen what happened in Congress over the last six months.

(And even if it does, this is a quagmire of another forever war. The last two such wars, when they fought goatherds in sandals, cost the American empire 7 trillion dollars and 20 years of effort. Now they are fighting Russia the largest geographical country in the world, and, if Yellen fears are correct, supplied machine tools by its large industrial neighbour in China, just across its contiguous border in Asia. There is no possibility of the American effort at defeating Russia using Ukraine. When Kyiv runs out of money, those assholes will be asking again. What will Congress do then? This is the very definition of the Americans being “bogged down.”

(As such, if America does not continue to throw massive amounts of good money after bad into Ukraine, it will ultimately be saying to the world, it does not have the resolve to stay the leader of the world. On the other hand, if it wants to support all its vassal states to pursue all manner of insane geopolitical ventures, it will increasingly go the way of wasting so much money that it will bankrupt itself. China and Russia have just got America where it wants it to be. Stuck in Ukraine...This is the kind of stuff that ends empires or put them into irreversible decline.

(As the Senator Rand Paul said, that \$95 billion is not in a pile of savings lying around for a rainy day. It has to be borrowed because the US budget is already in deficit before this aid package. And that borrowing adds another burden to the US government.

As a matter of fact, the IMF has just raised the question of:

**Is The US National Debt Unsustainable? 'We Can't Have A Deficit Of 7% Of The GDP'**

*The US's blowout debt burden is one piece of a global problem, IMF warns*

*Filip De Mott*

*Apr 18, 2024, 8:49 PM GMT+8*

- ***Runaway US debt levels at risks to global stability, the International Monetary Fund said in a report.***
- ***Spiking Treasury yields are associated with exchange rate turbulence and higher interest rates elsewhere.***
- ***The Congressional Budget Office projects debt-to-GDP levels to reach 116% by 2054.***

*Ballooning US debt will weigh on more than just Washington, as spiraling borrowing costs have the potential to distort the global economy, according to the International Monetary Fund. (All the vassals states will steer clear of getting embroiled in forever wars and the US economic system. An empire without vassals is no empire at all.)*

In its latest Fiscal Monitor report, the fund expects US deficit to more than triple overspending levels in other advanced economies by 2025, projected to hit 7.1%.

"Loose fiscal policy in the United States exerts upward pressure on global interest rates and the dollar," Vitor Gaspar, director of the IMF's fiscal affairs department, said in a related press briefing. "It pushes up funding costs in the rest of the world, thereby exacerbating existing fragilities and risks.

***Swelling US debt could tip US markets into crisis as soon as next year, Wharton professor says***

*Specifically, the report made reference to the impact that debt has on Treasury yields, as the government must increasingly offer higher returns in order to keep attracting buyers.*

But such large and sudden rate increases are often associated with exchange rate turbulence across global markets, while a 1 percentage point spike in US interest can lead to a ramp up in foreign long-term nominal rates.

Markets have already gotten a taste of debt-related yield jumps, after a US credit downgrade sent 10- and 30-year rates surging above 5% in October.

For its part, Washington has undergone "remarkably large fiscal slippages," the IMF said, referencing falling taxes and a doubling in government spending between 2022 and 2023, despite strong growth.

***If this trend continues, the Congressional Budget Office expects US debt to reach 116% of GDP by 2054, where it currently equaled 97% in 2023. Some analysts have called this unsustainable, and a path towards national default.***

***Others have touted that solutions are straightforward, as long as political backing can be secured (YWC: America does not even have the discipline to stop funding a***

bottomless pit that has emerged in Ukraine). That includes a bipartisan willingness to cut spending, as well as tax hikes across income levels. (YWC : None of this is doable in the US)

(The prospect of falling US interest rates has been dashed by strong inflation data in the last couple of months. Chairman Powell needs more time to observe the inflation trends before cutting rates. Clearly, this is unlikely to happen anytime soon, certainly not for the rest of 2024.

(If inflation and interest rates stay elevated, Biden's chances at reelection will not be high. Future presidents will see the folly of supplying US money to foreign countries for military purposes and will not do it. For better or worse, that is also effectively the end of US hegemony in the world.)

(The NYT had an article on this aspect of American influence, amounting to its empire ending.)

## **America Is an Empire in Decline. That Doesn't Mean It Has to Fall.**

*Sept. 4, 2023*

**By John Rapley**

Mr. Rapley is the author, with Peter Heather, of "Why Empires Fall: Rome, America and the Future of the West."

America likes to think of itself in garlanded terms. The shining city on a hill. The indispensable nation. The land of the free. There's something to each sobriquet, to be sure. But there's another phrase, not always so flattering, that also applies to the United States: global empire.

Unlike the other notions, which originated in the birth struggles of the Republic, this one dates to the final stages of World War II. At the famous Bretton Woods Conference, the United States developed an international trading and financial system that functioned in practice as an imperial economy, disproportionately steering the fruits of global growth to the citizens of the West.

Alongside, America created NATO to provide a security umbrella for its allies and organizations such as the Organization for Economic Cooperation and Development to forge common policies. Over the second half of the century, this system attained a degree of world domination no previous empire had ever known.

In the past two decades, however, it has sunk into decline. At the turn of the millennium, the Western world accounted for four-fifths of global economic output. Today, that share is down to three-fifths and falling. While Western countries struggle to restore their dynamism, developing countries now have the world's fastest-growing economies. Through institutions like BRICS and OPEC and encouraged by China, they are converting their growing economic heft into political power.



From this view, it can seem that the United States is following the course of all empires: doomed to decline and eventual fall. America, it's true, will never again enjoy the degree of global economic and political domination it exercised in the decades after the war. But it can, with the right choices, look forward to a future in which it remains the world's pre-eminent nation. (YWC : This article was written in Sep 2023, when the narrative that Ukraine was winning the war against Russia was believed by most in the west. Now, only fools would believe that propaganda. I am not sure that the author will write it like he did in six months ago.)

(It is already obvious that Ukraine has lost the war. Most western media have acknowledged that the combined arms of NATO members and their industrial capacity to make weapons and ammunition cannot match that of the Russians. Ukraine would do well, at this point in time, to negotiate peace, embarrassing its patrons from America and all the countries of the collective west.)

To call America an empire is admittedly to court controversy or at least confusion. After all, the United States claims dominion over no countries (YWC :not in the historical way but America has been behaving like a global hegemon – a hegemon is just another name for empire builder) and even prodded its allies to renounce their colonies. But there's an illuminating precedent for the kind of imperial project the United States forged after the war: the Roman Empire.

By the fourth century, that empire had evolved from a conquest state into one where the Eternal City remained a spiritual center but actual power was shared across the provinces, with two centers of imperial authority: one in the east and another in the west. In return for collecting taxes, provincial landholding elites enjoyed the protection of the legions, their loyalty to the empire cemented by a real share in its benefits and what the historian Peter Heather calls a unifying culture of Latin, towns and togas.

Like modern America, Rome attained a degree of supremacy unprecedented in its day. But the paradox of great imperial systems is that they often sow the seeds of their own downfall. As Rome grew rich and powerful from the economic exploitation of its peripheries, it inadvertently spurred the development of territories beyond its European frontiers. In time, the larger and politically more coherent confederations that emerged acquired the ability to parry – and eventually roll back – imperial domination.

In the same way, America's decline is a product of its success. Although developing countries grew more slowly in the postwar period than their Western counterparts, they still grew. By the end of the century, they had started to convert that expanding economic clout into political and diplomatic power. Not only had they begun to acquire the capacity to negotiate better trade and financial agreements, but they also had a crucial bargaining chip in the form of two resources Western businesses now needed: growing markets and abundant supplies of labor.

One of the earliest signs of this more assertive periphery came at the 1999 World Trade Organization conference in Seattle. A group of developing countries joined forces to halt the proceedings, ending the longstanding practice of a handful of Western allies hammering out a draft agreement for presentation to delegates. Since then, developing countries have gradually reduced their dependence on the World

Bank and the International Monetary Fund, formed lending institutions and begun experimenting with trading arrangements that lessen their dependence on the dollar.

Rome, the story goes, was toppled by so-called barbarian invasions. The truth is more complex. Within a single chaotic generation on either side of the year 400, several confederations crossed into the western half of the empire. On Roman soil, these immigrants then formed themselves into still larger alliances — like the Visigoths and Vandals — that were too powerful for the empire to defeat.

Some commentators have been quick to see modern migration into the West as an equally destructive force. (YWC: The situation happening on the southern border of the US right now, and all western European nations have been swarmed by people from Africa and Eastern Europe, are just as destructive.) But that's the wrong lesson to take from Roman history. Its economy was primarily agricultural and steady. If one power rose, another had to fall, since you could not simply expand the resource base to support both. When Rome proved unable to defeat the new contenders, it lost a source of taxes from which it could not recover.

Today's situation is completely different. Thanks to technological change, economic growth is no longer a zero-sum game, possible in one place but not another.

Although Western countries no longer dominate manufacturing and services, they still retain an edge in knowledge-intensive industries like artificial intelligence and pharmaceuticals or where they've built brand value, such as in luxury goods, sports and entertainment. Economic growth — even if more slowly than in the periphery — can continue in the West.

But it will require workers. Given that Western societies, with declining birthrates and aging populations, aren't producing enough workers, they will have to come from the global periphery — both those who immigrate to the West and the many more who stay at home to work in businesses serving Western supply chains.

Migration may have eroded the Roman Empire's wealth. Now it's what stands between the West and absolute economic decline.

Other parallels with Roman history are more direct. The eastern half of the Roman Empire rode out the collapse of the west in the fifth century and was even able to establish a hegemonic position over the new kingdoms in its lost western territories. This situation could have survived indefinitely had the empire not expended vital resources, starting in the late sixth century, in an unnecessary conflict with its bitter Persian rival. (YWC: Is that why they want to go to war with Iran?) Imperial hubris drove it into a series of wars that, after two generations of conflict, left both empires vulnerable to a challenge that would overwhelm them both in just a few decades: a newly united Arab world. (YWC: This is also happening today already one generation of warfare against the Muslims of the Middle East and now it is fighting the Russians.)

For America, it's a cautionary tale. In responding to the inevitability of China's rise, the United States needs to ask itself which threats are existential and which are merely uncomfortable. There are pressing dangers facing both the West and China, such as disease and climate change, that will devastate all humanity unless nations tackle them together. As for China's growing militarization and belligerence, the United States must consider whether it's really facing Thucydides' trap of a rising

power or simply a country defending its widening interests. (YWC: Neither China nor Russia are Visigoths or Vandals lying on the peripherals of the western empire. Both are big countries which were once empires in their own right and today maintain much of their old capabilities, especially a sense of their own history, which in the case of China is much longer than the new Rome.)

If the United States must confront China, whether militarily or — one hopes — just diplomatically, it will inherit big advantages from its imperial legacy. The country still has sources of power that nobody can seriously rival: a currency that faces no serious threat as the world's medium of exchange, the deep pools of capital managed on Wall Street, the world's most powerful military, the soft power wielded by its universities and the vast appeal of its culture. And America can still call upon its friends across the globe. All told, it should be able to marshal its abundant resources to remain the world's leading power.

(YWC: At the same time, America in its failure to run a functioning society for its lower classes, has offsetting disadvantages for each of the advantages that it has — its population is not well educated outside of the graduates of the top50 colleges, it has a massive drug problem, and it has withered away its strong currency advantage when it sought to sanction other countries randomly and endlessly, without accountability.)

To do so, though, America will need to give up trying to restore its past glory through a go-it-alone, America First approach. It was the same impulse that pushed the Roman Empire into the military adventurism that brought about its eventual destruction. The world economy has changed, and the United States will never again be able to dominate the planet as it once did. (The empire is over) But the possibility of building a new world out of a coalition of the like-minded is a luxury Rome never had. America, whatever it calls itself, should seize the opportunity. (YWC: That may well be, but it has too much hubris and arrogance to be able to carry it off.)

(YWC: And now, it is no longer just China and Russia breaking down the empire of the west. After having been taken advantage for so long by these former colonial powers, the nations of the Global South are finding that it is far better to ally themselves to the countries of BRICS, among which are old nations, besides, China, India, and Russia but also key countries in every continent, including Iran, Egypt, Ethiopia Brazil and the oil producers of the Arab world.)

(Even the NYT took heed of who the American empire has to reckon with in a related article:))

## **American Power Just Took a Big Hit**

*Sept. 1, 2023*

**By Sarang Shidore**

Mr. Shidore, the director of the global south program at the Quincy Institute, writes extensively about geopolitics.

For more than a decade, the United States mostly ignored BRICS. The grouping, formed by Brazil, Russia, India, China and South Africa, rarely registered on Washington's radar. When it did, the impulse — as shown by Jake Sullivan, the national security adviser, recently stressing that the coalition is not “some kind of geopolitical rival” — was to downplay the group's significance. Western commentators, for their part, largely painted BRICS as either a sign of Chinese attempts to dominate the global south or little more than a talking shop. Some even called for its dissolution. (YWC: After this year, with the expanded BRICS membership, that is no longer the case.)

Such complacency looks less tenable now. At a summit in Johannesburg last week, the group invited six global south states — Argentina, Egypt, Ethiopia, Iran, Saudi Arabia and the United Arab Emirates — to join its ranks. In the aftermath of the announcement, indifference gave way to surprise, even anxiety. Yet there's no need for alarm. BRICS will never run the world or replace the U.S.-led international system.

It would be a mistake, though, to dismiss its importance. After all, any club with such a long waiting list — in this case, nearly 20 nations — is probably doing something right. BRICS's expansion is an unmistakable marker of many countries' dissatisfaction with the global order and of their ambition to improve their place within it. For America, whose grip on global dominance is weakening, it amounts to a subtly significant challenge — and an opportunity (YWC: not under Biden).

The critics have a point: BRICS remains a work in progress. Its two major initiatives — the New Development Bank and the Contingent Reserve Arrangement — are quite small when compared with the scale of global development lending and finance. Other initiatives such as cooperation on health research and space exploration are in their embryonic stages. Expansion could make institution-building harder, with more players in the mix. There are, for example, some differences between the way China and Russia and the global south states view the grouping.

America's global dominance, to be sure, is underwritten by vast military spending, a network of alliances and hundreds of far-flung military bases. But even if an expanded BRICS only muddles along in terms of material success — and there's a good chance it will do better than that — it will challenge Washington in three key areas: global norms, geopolitical rivalries and cross-regional collaboration.

Since the Soviet Union's collapse in 1991 and despite the disastrous interventions in Iraq and Afghanistan, America has been able to portray itself as speaking for the values of freedom and democracy everywhere. In fact, the disproportionate sway Washington holds over the articulation of global norms is a major source of its power. It's not for nothing that the Biden administration repeatedly claims that the world is divided between rules-following democracies and rules-flouting autocracies, with the United States at the head of the former.

This “democracy vs. autocracy” framework has already been partly discredited by Washington's own embrace of authoritarian governments. A bigger BRICS would deal it another blow from a different angle. Of the 11 states that will make up the expanded group, four can be said to be democracies, four are autocracies, two are monarchies and another a theocracy. It is further evidence that a country's political

system is a poor indicator of how it frames its interests and with whom it decides to build a coalition.

What's more, the expanded group will include two pairs of fierce rivals — India and China, Saudi Arabia and Iran — as well as the acrimonious pairing of Egypt and Ethiopia. Shared BRICS membership alone will not solve the serious problems between these adversaries. But it will create unique opportunities for direct, two-way conversations between states that dislike each other in a relatively safe multilateral environment. Washington has historically found advantage in exploiting divisions for its own ends, most notably in the Middle East. By reducing the distrust between countries, BRICS could help counter this unhealthy cycle.

To perpetuate its primacy, Washington also tends to divide the world into regions. U.S. allies and partners, in the global south especially, are typically urged to counter a U.S. adversary or forge deeper ties with local U.S. partners in their region. India and the Philippines are encouraged to counter China, for example, while the Gulf States are nudged to focus on Iran and build links with Israel.

This divide-and-conquer approach acts to limit middle powers' horizons to their own regions. With members across three continents, BRICS could create new spaces for key global south states to forge deeper habits of interaction and cooperation well beyond their regions, working against the grain of Washington's preferred division of labor.

More than anything, **the growing attraction of BRICS is a signal that American global dominance is waning.** But that doesn't mean most of the group's new and original members are anti-American: Egypt is a steadfast security partner, Brazil and South Africa have longstanding relationships, and India is perhaps Washington's closest friend in the collection. They would simply prefer to live in a world in which the United States was a leading, rather than the dominant, power.

And would that be so bad? America, facing its own intractable domestic problems, should view BRICS expansion less as a threat and more as an opportunity. **It offers a chance for the United States not only to relearn the practice of cooperation but also to let go some of the distant burdens and notions of exceptionalism that do not serve its national interest.** In the process, a better America — and possibly a better world — may yet emerge.

**(YWC: This is the moment in history when the torch passes from the American empire, financially exhausted by all its wars, and currently bogged down in Ukraine and the Middle East, to China, the industrial behemoth of the East, which has formed a Mackinder friendship on its border on the world island in Asia, with Russia, the resource rich country which complements its southern neighbour very well. Yes, America, in its splendid isolation cannot be attacked and that has enabled it to become the global hegemon, but the flip side of that is that it cannot gain from trade within its hemisphere. China's model is not about building military capabilities but with its commercial alliance with Russia and its BRI, and BRICS, is reaching out to the rest of the Global South to embrace its strategy – trade and be rich. Those countries interested in this approach, and there are lots of them, have embraced China. Everybody is queuing up to see Xi Jinping these days, and that is a sign of the shape of the world to come.)**

(There is no question that the American empire is now stuck, bogged down in Ukraine and the Middle East by its two vassals in Kyiv and Jerusalem. It cannot exit the situation without pulling out its financial support which will affect its own economic prospects going forward. Even when it does not have a war in places where it only perceives an enemy, such as in the Taiwan Straits, it has to spend money to make itself credible. It has a policy essentially of buying friends with money. How long this can last, when it has a huge budget deficit tagged on to a humongous debt, remains to be seen?

(China has no such problem. It has no wars and does not intend to engage in one. It has got the US where the latter has a definite disadvantage to maintain global hegemony. And when you consider that Russia for its own reasons is nipping at the frontiers of the American empire, America has basically lost its position of global hegemon. And China has got things on a roll, and increasingly becoming more assertive about its rights and the correctness of its policies. Look at the failure of the Yellen and Scholz missions and we can see that American can no longer tell China what to do. That is the handing over of the torch from one empire to the next.

(It does not take actual wars for an empire to be eclipsed. The US in overcommitting to a military posture including of assets that were useful in the last century, such as its hugely expensive aircraft carriers and bases in 800 places in the world, is bankrupting itself and has already lost its empire.

(At the end of the day, it is not about a powerful military that maintains empires. It is the ability to show the rest of the world that you have the economic means to be at the top of the hill.)

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