

Sustainable empire: How to avoid collapse

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Empires come and empires go—and their collapse, says financial historian Niall Ferguson, is often precipitous (*Foreign Affairs*, March/April). For example, the economic and military might of the British Empire was sharply reduced by the time of the Suez Canal crisis in 1956—just a decade after one of the empire’s shining moments, the defeat of the Axis powers. The collapse of the Soviet empire was even swifter—it disintegrated in less than five years, largely because the Soviet Union’s economy was floundering and because so much of its industrial output was devoted to the military.

Ferguson’s analysis is fair warning to the United States. The collapse of the U.S. empire will be partly a numbers game, Ferguson says, the result of “the slow march of demographics,” as fewer people in the U.S. workforce are available to pay the taxes that support the health and retirement benefits promised to an aging population.

President Obama is to be commended for calling for a three-year freeze in spending on many domestic programs, and for increases no greater than inflation after that, in an effort to shrink the deficit. He is also right to call for a bipartisan commission to work at reducing the national debt. But to make significant reductions in the federal deficit and long-term debt, spending on entitlement programs (Social Security, Medicare and Medicaid) will have to be addressed.

Two relatively modest steps could insure the long-term solvency of Social Security: raise the retirement age and increase payroll taxes on the wealthy. The first measure is reasonable, given that people are living longer; the second is just, given the exponential increases in executive compensation and the widening gap between the rich and the poor over the past 25 years.

Empires also fall by overextending themselves in military adventures. The U.S. is fighting two wars and engaging in a proxy war in Pakistan, and it’s doing it largely

with borrowed money. Each soldier in Afghanistan costs the federal budget a million dollars each year.

The president should work to reduce the American military footprint around the world. As William Pfaff has pointed out, the U.S. has over 700 military bases around the world. The U.S. military has divided the world into six regions, with bases and forward operating sites in each one. This military presence is enormously expensive and in some places it creates more tension than it resolves, especially in the Middle East.

The U.S. empire need not collapse. But it will, necessarily, need to become an empire based more on economic, intellectual and moral influence than on military power. Sustaining that model of empire demands hard decisions now.