
Preface

The first edition of *The Post-American World* was written in 2006 and 2007, when America was at the center of the world. The American economy was booming and, despite the setbacks in Iraq, people could not but be impressed by Washington's military power, which, since 9/11, had been deployed across the world on a scale unmatched in human history. American culture reigned supreme everywhere from Latin America to China. And whatever anyone thought of George W. Bush, there was still a general feeling that America represented the world's most advanced form of capitalism, run and regulated in a sophisticated fashion. The book was published in the middle of 2008, when the financial crisis had just begun. The Bear Stearns bailout, in March 2008, seemed to have stabilized the system, and the Dow Jones Industrial Average crept up to 13,000. That fall, the financial system collapsed and with it the American economy, which contracted by 6 percent in the last quarter and shed almost four million jobs in six months, the largest such decline since the 1930s. The contraction in global trade was actually worse than that of the 1930s.

I would be lying if I said that I had predicted any of this. While I did mention the dangers of cheap credit and wrote about a looming financial crisis, I thought it would be the garden-variety kind most countries periodically go through, not the seismic shock that actually took place. However, contrary to most predictions by most experts, the effect of the crisis was to accelerate the forces that I described in the book. The financial crisis hastened the rise of the post-American world. Goldman Sachs has twice revised its predictions of when China will overtake the United States as the world's largest economy, and it will surely revise them again in light of the slower growth rates caused by the crisis.

The conventional wisdom was that when the West sneezed, the rest would catch pneumonia—that had been the experience in the past. But this time, the emerging nations of the world had

achieved a critical mass and were now able to withstand the dramatic decline in growth in the Western world. In fact, in retrospect, it seems wrong even to describe it as “the global financial crisis.” For China, India, Brazil, and Indonesia, this has not been much of a crisis. It has resulted in an acceleration of the power shift I described in the book, giving it new force and greater scope. In this edition, I try to explain the consequences of the financial crisis, the resulting changes in power, diplomacy, and national psyche. China is today a country very different from the one it was just three years ago.

One more big change: Barack Obama became president, and he arrived in the Oval Office with an awareness of the trends described in the book. That meant that the book needed to reflect the new political realities in Washington, some of which were positive, others as depressing as ever. I remain convinced that the United States can adapt and adjust to the new world I describe, but the challenges have become greater and more complex, and I outline them with some new research and reflections on the way technology and globalization have combined to create a real crisis of employment for Americans. I also remain convinced that the geopolitical challenge of living in a world without a central, dominant power is one that will be acutely felt everywhere, and this too has been amply illustrated over the last few years.

The new edition incorporates my views on the financial crisis and its effects, the challenges and opportunities for the American economy, and the nature of the new global geopolitics. They are worked in throughout the book, not in any one place. Nowhere have I altered my basic views, so a reader who thought I was wrong three years ago is unlikely to be persuaded that I am now right. I felt that it was important to preserve the basic integrity of the work. I still believe that the challenge for all of us in the twenty-first century will be to live and prosper in this new and very different world.