

CASE STUDY

United States of America

Following the collapse of the USSR at the end of 1991, the United States of America has been widely regarded as the world's **sole superpower**, initiating a period of **unipolar** world power structure. Since the fall of communism in Europe, the United States has expanded its global military and economic presence while its potential rivals, Russia and Japan, have stagnated or declined. Throughout the 1990s, the US acted globally as though it had the military power to resolve important international issues single-handedly.

Some commentators called this approach **Pax Americana**, referring to the period of relative peace in the Western hemisphere that resulted from the superiority of American power and influence. Anti-US critics reacted by referring to '**pox americana**', calling US behaviour **hegemonic**, and likening US policies to a pox-like period of imperialism.

The period of Pax Americana changed dramatically following the terrorist attacks on several buildings in New York and Washington DC in September 2001 (the so-called '9/11 attacks'). The attacks resulted in about 3,000 deaths and a slowdown of the US economy, provoking significant **military responses** by the US in Afghanistan, Iraq and elsewhere that further drained US economic vitality.

Nonetheless, the US remains the world's dominant **military superpower**. Its spending on defence is greater than the combined spending on defence by the next seven countries – China, Saudi Arabia, Russia, the United Kingdom, India, France, and Japan – and represents about 40% of the world's total military spending. The US possesses overwhelming nuclear superiority, it has the world's dominant air force, the world's only navy that is capable of undertaking global operations.

US **military equipment** is regarded as very high quality, which increases its effectiveness beyond raw numbers. Furthermore, the US possesses a lead over most other countries in the areas of encryption technology, cyber-warfare, stealth technology, drone weaponry, 'smart' missile guidance systems, advanced communications and information technology. The US spends three times



1.25 A US Navy strike-fighter in a desert location.

more on military **research and development (R&D)** than the next six countries combined; to place this in perspective, the US spends as much on military R&D as Germany or the United Kingdom spends on defence in total.

The United States has a unique ability to **project its power** around the world. Although there are no foreign military bases in the United States, the US maintains about 800 military bases in some 150 foreign countries. The United States is also the world's largest **exporter of military equipment** and weapons, delivering weapons to some 95 countries that are acknowledged publicly.



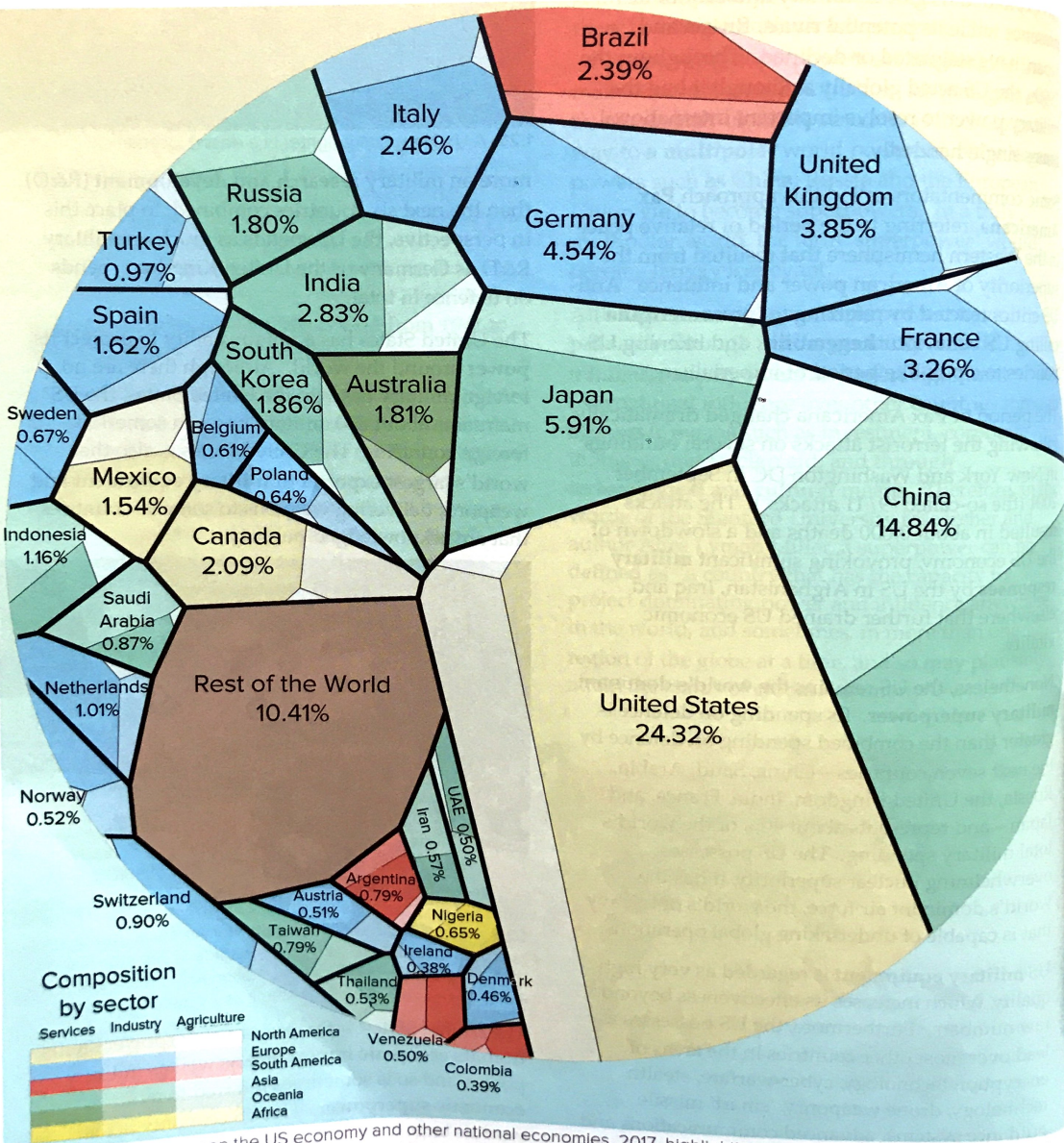
1.26 A nationalistic show of support for American troops on duty overseas is seen here as part of a parade in Houston, Texas, USA. The US has military forces stationed in most parts of the world as an expression of its status as a global superpower.

The United States' influence as a superpower stems from its **economic importance** as well as military power, and so is sometimes referred to as an **economic superpower**. The US economy is the world's largest, and represents about 23% of the

global Gross Domestic Product. By early 2017, the size of the US economy had grown to US\$18 trillion, and was projected to reach US\$20 trillion by 2020. These figures mean the size of US economy is about the same as the next three largest economies – China, Japan and Germany – combined. If the US state of California were a country, its economy would be the world’s sixth largest in size behind

the United States, China, Japan, Germany and the United Kingdom.

Figure 1.27 is an **infographic** that illustrates the relative size of the US economy to other economies around the world. The infographic is a Voroni diagram that represents the size of each economy by an area that is proportional to its GDP. Each area is divided into three areas to show the



1.27 Relationship between the US economy and other national economies, 2017, highlighting its role as an economic superpower.

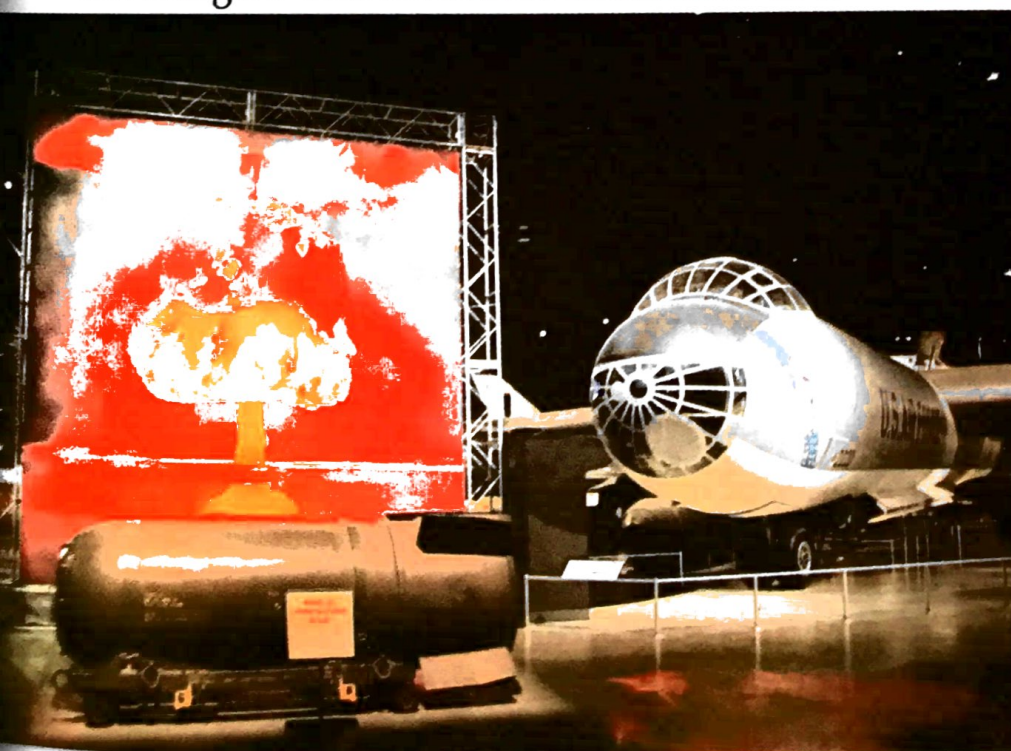
Source: World Development Indicators database, World Bank.

proportion of each economy that is derived from agriculture, industry (manufacturing) and services. In addition to demonstrating that the US is the world's largest economy, the diagram shows that about 80% of US economic activity is produced by services; this compares with a global average of 64%. In the US economy, manufacturing industry produces 19% of wealth while agriculture produces just 1%; this compares with global averages of 30% and 6% respectively.

The United States' position as an economic superpower is reinforced by the dominant position of the **US dollar** as an international trading currency. More international transactions are quoted in US dollars than any other currency, and it is the most commonly held currency by countries around the world for their foreign reserves. Indeed, more US dollar banknotes are held and used outside the United States than within.

Furthermore, some countries such as Ecuador, Panama and Palau use the US dollar as their official currency, while other countries such as Zimbabwe, Cambodia and the Dominican Republic use the US dollar as a de facto official currency because of their own currencies' weakness or instability. Many other countries such as Hong Kong, Venezuela, Saudi Arabia and Eritrea peg the exchange rates of their own currencies to the US dollar.

US economic strength derives to some extent from its **natural resource production**. The US is the world's third largest oil producer and producer of natural gas. The US is also referred to as a



1.28 The US Air Force Museum in Dayton, Ohio, celebrates the history and power of the USAF. This exhibit shows a thermonuclear bomb in front of a photo of a nuclear bomb detonation, beside a B-36 bomber. The US is the only country to have dropped nuclear bombs on another country during wartime.



1.29 Evidence of US global diplomacy and military intervention — this statue of former President Bill Clinton was erected in Pristina, Kosovo's capital city, as an expression of Kosovo's appreciation for US and NATO military assistance in its fight for independence from Serbia during 1998 to 1999.

technological superpower because of the global influence of technology companies such as Apple, Microsoft, Facebook, Google and Amazon, all of which are US-based. The US is the world's second largest **manufacturing** nation (after China), producing about 20% of the world's manufactured goods. Of the world's 500 largest **companies**, 128 have headquarters in the United States. US economic influence is further strengthened by the presence of large **stock exchanges**; the New York Stock Exchange is by far the world's largest in terms of the value of shares traded and the capitalisation of the companies listed.

Finally, the United States is also considered to be a **cultural superpower** because of the impact it has around the world through television programs, movies and news organisations. US media productions have been credited with shifting cultural opinions among people around the world, usually towards a more pro-US viewpoint but sometimes against. This process is known as **soft diplomacy**, and has accelerated with the development of internet-based video and podcasts.

The importation by non-Americans of products, images, technologies and practices that are closely associated with the United States is known as the process of **Americanisation**. In the minds of many people, Americanisation is closely related to the process of globalisation, and indeed the former US Secretary of State, Henry Kissinger, stated in 1999 that "*globalisation is really another name for the dominant role of the United States*".