In discussions of America’s present and prospects, few notions are as common as that of “two Americas:” the haves and have-nots, the red states and blue states, and so forth. One might add another pair to the list: the resurgent and the dysfunctional.

First, the resurgent. While “America is in decline” is often presented as a fact rather than a contention, there is evidence that the United States is rebounding. For the first time since late 2007, U.S. home equity exceeds mortgage debt.1 Despite its sluggish recovery, the Economist predicts that the United States “will add more to global economic growth next year than China (at market exchange rates).”2 Its seemingly entrenched trade sclerosis also appears to be giving way; the Obama administration approved free-trade deals with South Korea, Colombia, and Panama in 2011, and is moving purposefully to finalize the Transatlantic Trade and Investment Partnership and the Trans-Pacific Partnership. The biggest factor in America’s comeback may well be the energy renaissance that it is experiencing: which observer a decade ago would have volunteered the possibility of U.S. energy independence by 2035?

The second America—the dysfunctional one—has received considerably more attention. It is the America of George Packer’s The Unwinding and Joseph Stiglitz’s The Price of Inequality; the America whose much-vaunted dream appears to be out of reach for a growing number of its citizens, and whose mode of governance is under growing attack at home and abroad. Writing on the 150-year anniversary of the Gettysburg Address, Harvard University President Drew Faust argued that:

We are far from modeling to the world why our—or any—democracy should be viewed as the “best hope” for humankind. The world sees in the United States the rapid growth of inequality; the erosion of educational opportunity and social mobility that ‘afford all an unfettered start, and a fair chance, in the race of life;’ the weakening of voting rights hard-won over a century of post-Reconstruction struggle.3

Approval for Congress has reached 9 percent, and a graphic that came out earlier this year demonstrates how rapidly Republican senators and their Democratic counterparts

Ali Wyne is an associate Harvard University’s Belfer Center for Science and International Affairs and a contributing analyst at Wikistrat.
are drifting apart, as the inclination toward moderation goes from virtue to liability.\(^4\)

A visitor from outer space who spent some time learning about the first America would find the second one’s existence difficult to understand. It is not that the country’s leaders ignore the latter; they routinely, sincerely lament it and highlight the dangers of its continuation. The trouble is that the country’s preeminence — admittedly diminishing, in relative terms — has allowed them to be complacent about moving from words to reforms.

I happened to interview political-risk guru Ian Bremmer on the evening of October 17th, more than two weeks after the U.S. government had shut down but less than twenty-four hours after it had narrowly avoided defaulting on its debt. We discussed how the shutdown had opened up the United States and its institutions to international ridicule. Echoing its advocacy of recent years, China called for a “de-Americanized world” (this time, its call elicited considerably more attention because of how rapidly it has ascended within the global pecking order).\(^5\) And, as was to be expected, the shutdown renewed concerns about the United State’s ability to sustain its alliances and lead abroad. Former Under Secretary of Defense for Policy Michèle Flournoy recently argued that “[w]hen America’s inability to reach common-sense compromise grinds governance in Washington to a virtual halt, our competitors and adversaries abroad begin openly questioning our staying power on the world stage and making mischief. They also question the reliability of our security commitments and begin hedging their bets.”\(^6\)

But Bremmer’s larger observation was that, as on many a previous occasion, the United States had the luxury to sweep its dysfunctional governance under the rug — partly because of favorable trends, some of which I noted earlier, and partly because of enduring strengths. The dollar, for example, remains the world’s only reserve currency: ironically, then, even when investors rail against U.S. financial mismanagement, they are more likely than not to pour their money into dollar-denominated assets. U.S. military power underpins the global commons more than that of any other country. And for all of the (often deserved) flack that the “Washington Consensus” has received since the collapse of Lehman brothers, no coherent ideological replacement has emerged. I recently heard a Chinese official’s quip that the Washington Consensus and Beijing Consensus had only one commonality: they were both created in Washington.

I am not a declinist. I do worry, however, that the second America will come to constrain the first one more and more if policy makers continue to substitute avowals of U.S. exceptionalism for efforts to redress political paralysis (and the attendant societal ills). The question that most countries confront is whether they can reform in spite of their weaknesses; for the United States, one could well ask if it can reform in spite of its strengths.\(^7\)

— Mads Neumann served as Lead Editor for this op-ed.
NOTES


