

Rise and Fall of the Great Powers

What Happens Next – 05.22.2022

Larry Bernstein:

Welcome to What Happens Next. My name is Larry Bernstein.

What Happens Next is a podcast where the speaker gets to present his argument in just Six Minutes and that is followed by a question-and-answer period for deeper engagement.

Today's discussion will be on the Rise and Fall of the Great Powers.

Our speaker today is Paul Kennedy who is the J. Richardson Dilworth Professor of History at Yale. Paul is one of our greatest living historians and he will discuss his classic work *The Rise and Fall of the Great Powers*. This book that was published nearly 35 years ago, and it was an immediate sensation. It became a best seller because the book tells the story about why Great Powers decline and explores which countries will likely take their place. Paul predicted that the US and the Soviet Union would decline and that China was an ascending power because of its large population and that with productivity growth would have the resources to build a world class military.

I want to learn from Paul about why certain empires succeed and others fade away, and what America can do to succeed in a multipolar world. I want to find out about whether India will be the next great power, and how a country's geographic position can determine its destiny.

Buckle up.

If you missed it, check out last week's program with Princeton Professor Aaron Friedberg on how we screwed up our engagement with China. Why we gambled on sharing our technological knowhow, and our trade relations with an ever-increasing authoritarian state and what we can do about it now.

All right, let's begin with historian Paul Kennedy.

Paul Kennedy:

I'm interested in the story of great power relations. But it isn't diplomatic histories of Bismarck or Neville Chamberlain's appeasement, or Stimson and the coming of a Cold War. I'm interested in the great underlying shifts that happened in world affairs. And boy, in this past 20th century, so much happened.

At the beginning of the 20th century, there was competition between seven great powers. They staggered into the First World War which exhausted some of them, so they fell away like Imperial Russia and the Austro-Hungarian Habsburg Empire. And then in the Second World War the United States came along to win the war.

For me, watching the United States reassert itself in the early 1980s under President Reagan provoked in me the query, to what extent is this story of America's rise a wonderful historical echo of the rise and fall of a great power? Could a historian using economic comparative data, tell the whole story of the great powers, not in diplomatic terms, but in terms of the shifts of their competence on the battlefield, the coming of the new economic resources, the shift in the productive balances of population size, and the success and failure of these great powers.

You had a wonderful spread of history from approximately 1500s to the year 2000. And you could end the book by reflections on whether the coming 21st century would have the same story of the rise and fall of the great powers, only this time, a question mark would be over whether the Soviet Union could exist or fall behind. Remember, I'm writing this in the 1980s. And whether the United States could, as Mr. Reagan wanted, reassert itself and still be the number one great power. It was a wonderful challenge for the historian who likes big long-term history and great power shifts.

Larry Bernstein:

The Rise and Fall of the Great Powers has become a classic since it was published in 1988. What was your key insight?

Paul Kennedy:

The core word for me in the Rise and Fall of Great Powers is organization. At the very beginning of the story set in the 16th centuries, we see the competition of the great powers. Which one succeed? The state organizing systems that could accrue sufficient resources from within their own domains, mobilize those resources, then the training and organization of new armies and navies, and put them into the field against their rival contesting powers. This was an era of rivalry between great powers for the next 400 years of our story.

Organizing for war and for long term capacity was the essential meaning of the Rise and Fall of The Great Powers. How do you succeed, and how do you avoid that falling behind of Imperial Spain, Portugal, and the Dutch Republic? How was it that one of those great powers Great Britain manages to stay at the top for the remarkable period of 200 years before it's overtaken by the United States halfway through the Second World War.

Larry Bernstein:

I spent my career as a professional bond trader specializing in government debt in the US and Japan as well as in the emerging markets where default was a constant concern. These great powers each had different access to credit markets. The Spanish and the French defaulted several times while the English did not.

Paul Kennedy:

Spain didn't have an advanced bond system. It tried to float some bonds in Northern Italy and in the Netherlands. Its raising of money was primitive compared with the 17th and 18th century fundraising through the British stock market and government bond market.

Larry Bernstein:

In your book's first chapter, you discuss the Spanish Empire. And what a strange empire it was geographically. Sure, the Empire included Spain and the New World, but it also included the Netherlands and Austria. Spain was not contiguous. Empires are difficult to organize and manage as it is, but separation must have made managing it very challenging especially given the poor communication methods of the time.

Paul Kennedy:

You've put your finger on the key aspect of the great power system, geography. Some of these great powers are more advantaged in their geography. Spain had substantial resources within it, including, especially personnel, it also had the advantage of silver from the New World, and until the Dutch revolt of possessing the most prosperous part of Europe in terms of GNP, which were the Spanish Netherlands.

Larry Bernstein:

America is contiguous and massive in scale and scope, how important are these geographical features in the contest to be a Great Power?

Paul Kennedy:

Larry, we Americans don't really think about in terms of our advantages, though others do when they look at us.

Anybody who drives across this giant nation, as I have done from the East Coast to shores of the Pacific, can only be struck by just how enormous it is, if you're with your family, and every day you promise to get through 400 miles, you're just going on and on and on and on. So, one reason why the US surges into its number one role after 1943 to 1945, you could turn corn fields into B-47 transport aircraft.

Imagine the United States had productive assets in New England. But between it and Florida, there was hostile territory, or there was the Alps, or there was the noxious French government interfering. What if the giant part of the United States, in the middle was France? This is a problem for Spain. How does it keep connections and connectivity between about four or five productive areas, especially when there's rival great powers nipping away at your feet, like the Dutch while actually located bang in the center, like France? Imagine that.

Larry Bernstein:

The United States was blessed with a robust national railroad system with dozens of overlapping internal lines, and tens of thousand miles of track.

Paul Kennedy:

I like to hypothesize that certain things in history just didn't happen. The steam engine did not happen and the railway system which followed on from the steam engine did not happen. I try to imagine what the United States would look like, by the latter part of the 19th century, if they

were not the railway system, a network built down the East Coast and across to the Midwest because the railway allows you not only to have millions of new settlers going west but it allows transportation of goods in the internal market.

The internal market of the United States, within about one generation becomes two or three times the traditional smaller European great powers. You might have an internal rail network in Germany by the end of a century or in Great Britain even before it, but this one is *gigantic*. And it allows when your factories when your new steel mills are sited by these railway lines, it allows capitalism to develop in an uncontrolled way. And governments when they need to put troops on those railway lines to send men to the East Coast ports to ship them off to Europe in 1918 or 1944, it can be done.

Larry Bernstein:

Let's contrast the US with the Soviet Union's rail system. The Soviet Union has a single lane track across the whole country. This seems incredibly vulnerable to attack or natural disaster.

Paul Kennedy:

When you look at the railway lines of the Soviet Union going out of Moscow and St. Petersburg or Leningrad, up to the Finnish border or across to the Polish border, it's nothing like the size of the American railway system. You're left in the Russian case with the proud claim that at least we have the longest railway line in the world, Larry, the single lane for so many parts of the journey, remember, when one train comes in one direction and another in the other, then you have to find this railway junction where you can park by the side in the middle of a giant forest and a rather shaky line of communications to the Far East.

Economists and strategic studies experts use that term robust; it means that your system is resilient. If a certain railway line coming from the Great Lakes to Chicago was cut by some sort of satellite bomber, whatever, that you could still get goods back and forth by using the lower lines, going through Kentucky, going through Virginia and coming to the East Coast. What if you have this single long vulnerable line right away across 11 time zones? A couple of saboteurs could take it out.

I think that the special bombs, which the British learned during the Second World War, you drop it not necessarily on the rail line itself, but if so long as it drops within 100 yards of the rail line, and goes underground to give it more impact when it detonates, those blockbuster bombs, after a few minutes, they detonate and they shake the soil and the Earth so much that your railway lines just fly apart. There's incredible vulnerability there.

Larry Bernstein:

One of your key insights is that the great powers can quickly increase their military spending in war time and then reduce it to a manageable level during peace time so as not to undermine economic growth and productivity.

Paul Kennedy:

So, this is one of the big questions that I've puzzled over for the past 50 years. What is a sufficient allocation of your resources to your military, so if it comes to a great power war, you could transform your productive resources from peace time needs to war time needs, but then swing back after the war is over to a decent percentage of defense spending, but not enough, so it has its own damage in peace time to your competitive productivity?

Did Spain overspend in the 16th and 17th century? You bet it did. Did it organize its fundraising to be able to deal with the challenges? Well, not as well as some other powers. What sort of balance did the Dutch Republic have in the 17th and 18th century that they got it right for so long? Tapping enough of your national resources to give you a big Dutch Navy, but not so much that you would bring down the Dutch Republic.

How did the wonderful Victorian system work in the 19th century, you could be spending a certain percentage of your GDP on your big Royal Navy, not much in the way of your army, and you could run a world system for about 150 years.

Larry Bernstein:

China's geography is incredibly problematic. It borders 14 countries who are hostile to it. It has very long trade routes for its energy and its exports that it cannot protect. How will geography determine whether China can become a great power?

Paul Kennedy:

I think about geography and geopolitics affecting strategy all the time. I persuade my students at Yale to imagine the relative positions of each of the competing nation states. And take notes of the competitive industries, the raw materials resources that each of these countries have, and the dependency upon economic trade routes at sea, to get a better understanding of these competitive great powers.

China has an awful lot of neighbors around its borders. As you say, 14, not all of whom are friendly. So, if it is to stay a great power, it's going to need to have very considerable investment in land resources. The United States doesn't need a very large army on the Canadian border. This China, however productive, is dependent upon a flow of raw materials resources coming to it, and the earnings of massive exports flowing out.

It can protect its own coastline with newer asymmetric warfare systems. But whether it will ever turn out to be a great world power in the way we've understood it, as the Spanish or the British or the American World Empire after 1945, is very hard to imagine. And one assumes that the wiser heads in Beijing say, "We are not going that route. We are going to get increasing efficiency and productivity at home. We are going to be the dominant power all over Western Pacific and Southeast Asia." That's for sure. "But we're not going much further than that because geography will fly in the face of our ambitions to be as prosperous and as militarily strong as we possibly can be."

Larry Bernstein:

Next topic the British Empire. Britain started the industrial revolution in the 18th century. It recycled its profits investing in the US, the Dominions, and its other colonies to build railroads and other projects. Britain combined its technological advantages with its advanced financial intermediation capabilities to grow its consumer base for its products and get access to raw materials.

Paul Kennedy:

It's a really wonderful long-term story of technological organization. It's situated in a productive climate, an offshore island, so it doesn't have to invest in a big army. It has a lot of domestic resources, including coal and iron reserves, which help it when technology kicks off the first industrial revolution. It also has a wonderful fundraising and parliamentary supported financial system.

And it's not just your domestic capital, Larry, you can raise capital from other investors across the globe who put it in the City of London. And then the City of London exports it outwards to economic systems across the globe all through the 19th century up to 1914, which is a win, win, win situation.

So, you absolutely want to avoid war, which is why the City of London and Lord Rothschild in 1914 were aghast when Great Britain declared war on Germany its best trading partner.

Larry Bernstein:

Isn't it remarkable that the British bureaucracy of a few thousand men could manage a global empire of a billion people?

Paul Kennedy:

First, at the high point of Western technology advantages over the rest of the world, you could run these giant empires. Once you had sent your red coats in to conquer your rival armies, like the Indian princes, you could send in your organizers and your railway lines to a vast subcontinent of India to take advantage of various quarreling Indian Maharajas. From a British perspective a relatively benign system compared with Mongol conquest or the Nazis in Eastern Europe, it definitely was benign. If you look at the more recent literature of Indian nationalist historians, the picture you get is one of cruel control over the Indian subcontinent until the system breaks down with the British not having the resources to keep up this rather large empire after the Second World War.

But for a long time, the story is rule by a small nation, over a gigantic country of about 800 million to a billion people.

Larry Bernstein:

Next topic is government finance. I want to give two examples. The first is Newfoundland which was a separate country outside of Canada before World War 2. Newfoundland defaulted on its debt, and the British high commissioner replaced the democratic leaders and balanced

Newfoundland's budget by cutting spending and raising taxes, and the bondholders got paid back in full. The second is Rhodesia. Here is a country that includes a few thousand Brits living there and to Lord Keynes's disbelief the African emerging market country can borrow money at a substantially lower interest rate than Britain's largest railroad company. And the reason is that bondholders were sure that they would get paid back because of the efficacy of the colonial budgetary system.

Paul Kennedy:

Newfoundland that giant but cold and chilly fish exporting, timber exporting country was separate from Canada until the late 1940s. It could have its governance controlled from Whitehall, from the colonial office, and could have its bonds issued by London under British treasury.

As Keynes knew, an efficient government would pay back loans which had been floated, whether it was in Rhodesia or elsewhere. The city of London was willing to fund financially across the globe, it would have the guarantee of its own government that at the end of the day it would pay back.

British governments were very worried that if something went wrong inside Rhodesia, Newfoundland, or some Caribbean Island, you would need to reassert control to reassure your bondholders.

Larry Bernstein:

How important to the success of the British empire was a common currency Sterling, a free trade zone, a military alliance, and for the dominions a common culture?

Paul Kennedy:

This is a wonderful question. Before 1914, Rosebery, the Liberal Imperialist prime minister, would sometimes sit back and say how wonderful it all is, how it all works together in such an integrated way. British exports go into British ships, and they go out of the port of London, and they go across the globe to Argentina to put in new advanced railway systems there. Argentina grows beef and wheat, and it comes back on the same ships to the free trade country of 45 million people.

We have free trade. We have the advantage of undersea cable communications. It's funded by the City of London. And we don't have to pay much military security because we are an island. And it all works very well.

The question is, why couldn't this British centered world empire with all of the advantages of free trade, terrific investment on the city of London, a flow out of exports all across the globe, why couldn't it just last forever?

The assumption that to the Indians and to the Africans, and everybody else, if you imitate us then in a century, you could be like us as well. So, learn the English language, have a British

judiciary system, have a primitive parliament, wear British clothes, imitate British fashions, you become like us. And the more the world becomes like us, the greater advantage it is for the world. So why should anybody bring this to a halt?

No wonder the financiers in London screamed when the great war came in 1914. It diverted resources to build ever more destroyers. Adam Smith would've said, "what does a destroyer earn you, Larry? Nothing, except the security in the North Sea." You have to pay for a giant army which you never wanted.

The funding of Kitchener's army or General Haig's army on the Western front by 1917-18 is draining your resources.

Larry Bernstein:

The British had been employing a balance of power strategy on the European continent since 1815. This allowed the British to have a large navy and a small army to employ on the continent rarely and sparingly. Unfortunately, the two world wars showed the inadequacies of that strategy.

Paul Kennedy:

From the 17th century onwards, the balance of relative strength between the various European power so that none of them would be dominant, was a key part of their thinking strategically. If it could balance itself by some laws of physics, there's like three competing powers in the South allied to each other, and there's three competing powers in the North and center allied to each other. And every so often the British might have to tilt in by coming on one side or the other by fighting one particular mid-18th century war on the side of the Austrians, and then the next war on, a seven-year's war, on the side of the Prussians. You could keep it going and therefore most of your resources could be deployed outside of Europe to enhance trade routes and to get evermore colonies.

This could only be damaged or challenged, Larry, when one of the European powers, looked as if it was going to get control of all of the rest. That is to say, when the balance of power would be upset. And this was the alarming thing to the British 150 years ago when revolutionary France and Napoleon were able to take over many neighboring countries and looked as if it were going to get control of all of the German lands with its population and productivity and move into the Baltic. And have enough resources so they could possibly outbuild the Royal Navy.

Wellington's army balanced things, defeated the French, restored a five big power system, the Concert of Europe, all through the prosperous 19th century.

If only, Larry, this could continue, a large Navy but relatively slow military spending, a large overseas empire with great resources of raw materials and markets for your goods, agreeable situation where the European powers are roughly in balance, you would want that to go on. And so it did until two things happened.

By 1914, the gigantic industrial technological advancements of Imperial Germany look as if it's out-stripping everybody else, even in peace time. By 1913, German steel production is equal to that of Britain, France and Italian steel production put together. And in 1914, the German army pushes for the taking over of Belgium in the Schlieffen Plan to knock France out of the war. And for the British going all the way back to the age of Elizabeth, we like a balance of power in Europe, but please don't any one of you big guys take control of the other side of the English Channel. Don't take control of the Belgian shores, or we will have to intervene.

Larry Bernstein:

Next topic the Dominions. Canada, South Africa, Australia, and New Zealand thought of themselves as core components of the British Empire. They were truly brothers in every sense of the word. Culturally, economically, and militarily were like one brotherhood. The Dominions were stunned and hurt when the Brits decided to go all-in with Europe after World War 2. Now with Brexit, Boris Johnson wants to reboot British relations with the Dominions, but I think it is too little too late.

Paul Kennedy:

You're right, too little too late. First of all, there's no equivalent in the other great European powers to the creation of these dominions, these white settler populations which flood out of the United Kingdom from the 18th century to these different parts of the globe which are lightly populated. Which can be taken over with relative ease, I'm thinking of Australia here, but large parts of Central and Western Canada.

Which can through cable communications, wireless, and railway systems, and long-range shipping lines be brought into your British empire but converted into something else because they are white people just like us, they speak our language, give them a rule of law, their own courts, their own parliamentary systems. All going well.

So that when Britain is sucked into the first of these giant European wars in 1914, it goes to war on behalf of itself and all of those dominions. The Governor General of Canada declares war on behalf of the British empire, and most of the Canadians, apart from the French Canadians, think this is a good and noble thing. The Australians and New Zealanders do because all of them have been told they are part of the same homogeneous racially culturally intact system.

The language, the culture, the purchase of things that would go in your kitchen, everything is profoundly British. And what's more, it seems to work.

Your revisionist historians might sniff at it, but by 1917 and 1918, the British empire has a gigantic Canadian army on the Western front. Princess Patricia's Regiment fighting somewhere in Piccadilly, right? You get Australian and New Zealand divisions being thrown onto the beaches of Gallipoli.

And then when you get out of that really damaging war, you have these gallant and relatively loyal British dominions who all stay together provided you can encourage them to think that you are going to be fighting on their behalf, these guarantees to Australian and New Zealand, we will come and fight for you if the Japanese attack. And it works magnificently.

As Churchill saw it, by 1940, he could ask for the whole of the British dominions to come and support Great Britain in the fight against the evil German empire in Europe. And it's not surprising that after the Second World War, when the victory parades occur in London, there you see representatives of the Canadian troops, the Australian, South African and New Zealand troops all there because we fought as this incredible British Commonwealth of nations.

When a British conservative government under Harold McMillan, say the future of Britain is more associated with this rising and prosperous integrated unit called the European Economic Community, there disappointed.

What are you doing preferring Danish butter to New Zealand butter in these new economic arrangements? Despite all of the bluster about what Boris Johnson is up to, he's trying to articulate that great historical myth, you could recreate a British dominion.

Larry Bernstein:

What is the benefit of being a great power? Can't small countries like Canada or Belgium benefit from great powers military support without paying for it in money and lives? Leave it to the Great Powers and keep me out of it.

Paul Kennedy:

What a profound and interesting question. The debates go on about why should we be a great power, there are voices within that country would say, why should we do it? Why can't Canada just stay nice, and neutral, and prosperous? Why do we have to mobilize troops and send them off to fight? Why do we have to divert a large part of an economic and fiscal resources of Great Britain to build a big army to send over to fight in Europe? Can't we keep out and not fight? And why do we need to be a great power? Because sooner or later, you would be involved in the great power fight. One of my nicer examples is Sweden.

It had for a long period, from Gustavus Adolphus onwards in the early 17th century, said, "We are going to be a great power, mobilize a large army, and march it across the Baltic. I'm sure there were many people in Sweden who were saying, "Why are our troops marching through Bavaria?"

After the extreme exertions of Sweden as a great power, though with a population not big enough to continue when the other big great powers, after 1815, the Swedes decide we've have enough of this. We are not going to spend on a big army, we are going to develop our internal resources. We are going to become a social welfare state, and just don't bother us we shall declare from the 19th century onwards that we are a neutral state in world affairs.

As they do very successfully and nimbly through the second world war. Although occasionally the Swedes worry that Adolf Hitler would turn and gobble them up as he had gobbled Denmark and Norway.

Some powers can get away with it.

Larry Bernstein:

How quickly things change, Sweden recently announced plans to join NATO, neutrality only makes sense when you think you can get away with it.

Paul Kennedy:

There's a great newspaper headline in early August 1914, where the Manchester Guardian, a great liberal and progressive journal of the time, said, Belgrade cares as much about Manchester as Manchester cares about Belgrade. In other words, why would we have to go to war in those distant great power politics?

If you and I were sitting in some nice little pub in Stockholm, I certainly would be one of those Swedes saying, "Do we have to do it?" Why not just stay out of this? Putin's Russia and its aggressive armies have tried to take over Ukraine. It caused an enormous reaction because of the brutality and the imperialist nature of what they're doing.

We disapprove of that. We are willing to conform to a Western kind of economic and trading blockage of this aggressive country because it's done what is against the United Nations charter. But why should we come out of our neutrality to join this NATO alliance, American-led alliance against this Russian aggression?

Surely the answer has to be, and this must be true even more so of Finland, we're turning our backs on decades of this neutral position because we really fear that that regime in Moscow is uncontrollable in its ambitions.

That this taking over of the Ukraine would, if successful, then lead to increasing pressure upon those small Baltic states. And that we don't know the limits of this person's imperialist assertiveness. He clearly is somebody who really feels bitterly at the demise of the great Soviet Union. And if he wants to reinvent that Soviet Union including going quite a way into Eastern Europe and control of all of the Baltic, we should join the only force which is counterbalancing the apparent long-term aggressiveness of Moscow.

I can only explain it in terms of their argument that for our security, it's better to be clear and join one side than to stay as what seems to be the advantageous neutral position which we've had for so many years.

Larry Bernstein:

In the conclusion of your book, you mention that the two primary statistics that drives the great powers is GDP and population growth.

When you look at the demographers estimates over the next 25 and 50 years, the estimates are that The United States will grow slowly, the EU is flat, and Russia will decline. But countries like Nigeria will explode in population growing to be larger than the US and the EU like 400 million. Other countries like the Democratic Republic of the Congo will have populations very similar to the size of Europe.

Kenya, Uganda, and Tanzania each will have populations equal to Russia's population. How do you think about these radical changes in populations across the globe and its impact on multipolarity and the great powers?

Paul Kennedy:

Population by itself, that is sheer numbers, five or six or seven children per family is not a good thing compared with another country which has two or three children per family. If the two or three children per family country, like the United States around 1900 has incredible investments in the productivity per capita of those within the society.

If the productivity and output per capita of a country which has seven children is nothing because we are still in a rather rural, domesticated low-productivity circumstance, then the increasing numbers weakens your society rather than enhances it.

The advantage to certain countries as they grow in world affairs, is can we combine the technological and productive and industrial output with our growing population size? Clearly in the early 19th century the coalescing of the large German population into one single country under Bismarck and Adolf Hitler's Third Reich, meant that Germany was more powerful than France. Both because of its rising population size and its greater per capita productivity.

This is the French fate of the 20th century. If your neighbor is growing faster than you both in population terms and in productivity and wealth, than you have a problem because you start relatively declining as a great power.

This is now the lesson for the 21st century as well. How do you combine a successful population per capita productivity with the size of your country when the greater size might actually take away from your strength if you do not have an industrial revolution and productivity revolution? Your 400 million Nigerians might be a source of weakness if only 50 million of those Nigerians are of the productive middle class while 350 million of them are poverty-stricken peasants. This is their great challenge.

Larry Bernstein:

In the epilogue of Rise and Fall, you mention that China is up and coming and might be a future Great Power. In your next edition of the book, will India be next in line?

Paul Kennedy:

I will be starting the 4th edition of *The Rise and Fall of the Great Powers*. Larry, I went back to look at that epilogue to look at what I wrote back in 1988. Japan mysteriously had its growth rate stop, and its population started going down after 1990. Was I right about Europe and its middle of the way prospects? I think so.

Was I cautiously right about the United States having to face shifts in the world balances but still was the economic and military leadership that with clever governance it could stay at the top? Was I right about saying that if this China, after its end of communist internal stupidities of government in the 1960's, turn to long-term growth? Will that China, if its standard of living and productivity go up, will it have the heft to change world affairs?

Will an India, by the year 2050, if it manages to deal with its internal social and poverty problems and have everybody in India rise up to the per capita standard of living of some of the European states, will India be a much larger force in world affairs? Yes. Because it will be not only more prosperous in that cruder economic measure of it, but it can turn some of its enhanced wealth into building a larger Indian air force and navy and be a bigger power in world affairs.

Will the United States relatively decline vis a vis India and China, if these trends of different economic growth outcomes per year continue? Of course, it will, it's just the pure mathematics of it.

If the U.S. economy grows 2 to 2.5% every year, and the Indian economy grows 7% every year, and the Chinese economy still grows 3.5 to 4% a year, you just do the mathematics, by the year 2035 or 2050 there will be a shift in the power balances.

Larry Bernstein:

Paul, I end each episode on a note of optimism. What are you optimistic about as it relates to the great powers?

Paul Kennedy:

What I'm optimistic about is that this nation will come back to the common sense of people like Truman and Eisenhower and begin to see that Americans can be much more of a success story in being a true leader in world affairs. Not over-extended, but willing to help our allies when we can.

This takes leadership. I ended *The Rise and Fall of the Great Powers* by saying that if it is done successfully with nimble management and understanding at the top, the long-term relative decline of the United States in the 21st century is not a cause for alarm. It can be done with common sense and good intelligence. I cross my fingers.

Larry Bernstein:

In your book, you focus on the role of GDP growth, productivity, and military might, and as you said in your opening remarks, you shied away from the diplomatic history of your peers who focus on individual leaders and their talent. Why emphasize leadership now?

Paul Kennedy:

Well, Larry, because I do think that even though most of the writings of this Yale historian Kennedy do tend to stress long-term economic shifts. At the end of the day there have to be some people at the top of these vast concentrations of economic and military power who understand how it's done. I doff my hat still in great admiration to the way in which Churchill and Roosevelt came together with their Chiefs of Staff from late 1941 onwards to the end of the war.

You cannot take the leadership story out of this. But if those leaders, Churchill and Roosevelt, didn't have the economic and organizational advantages underneath them, it would count for nothing. It would be like two very gentle Portuguese politicians talking with each other on the decks of an American warship off Argentinia in 1941. It's when you get this wonderful combination of surplus resources of power and organizational strength and a leadership to weld it which will protect you in peace and war time that you are able to advance as a great power in this ever-competitive system.

Larry Bernstein:

You will be back again in 2 weeks to do another podcast for What Happens Next on your new book a Victory at Sea. Give it a plug.

Paul Kennedy:

It's a Paul Kennedy, historian at Yale, one volume account of the naval battles from 1939 to 1945.

At the beginning of the story, the United States is one of merely six great navies in the world. After the war, the US Navy has come out supreme right across the globe. The sheer output of American production, like a new aircraft carrier once a month entering the Pacific fleet by 1943, which quite staggers the mind. So please think of this book as about how at that time, the world order of power shifts from being a multipolar to a single polar world, at least in naval terms, from 1945 onwards.

Larry Bernstein:

Thanks to Paul for joining us today. That ends today's session. I want to make a plug for next week's show.

Our speaker next week

will be John McGinnis who is the George C. Dix Professor in Constitutional Law at Northwestern's Pritzker School of Law.

John will be discussing Justice Alito's leaked opinion that overturns Roe vs. Wade. I will be asking John about how the leak will affect the norms of behavior on the court going forward, what Alito gets right and wrong about constitutional law in the case, and how our elected representatives will pass legislation in the void created by the absence of constitutional protections for abortion.

If you missed last week's program, check it out. Princeton Professor of International Relations Aaron Friedberg will discuss how we got China wrong and how we can fix it.

If you are interested in listening to a replay of today's What Happens Next program or any of our previous episodes or if you wish to read a transcript, you can find them on our website Whathappensnextin6minutes.com. Replays are also available on Apple Podcast, Podbean and Spotify.

Thanks to our audience for your continued engagement with these important issues, good-bye.