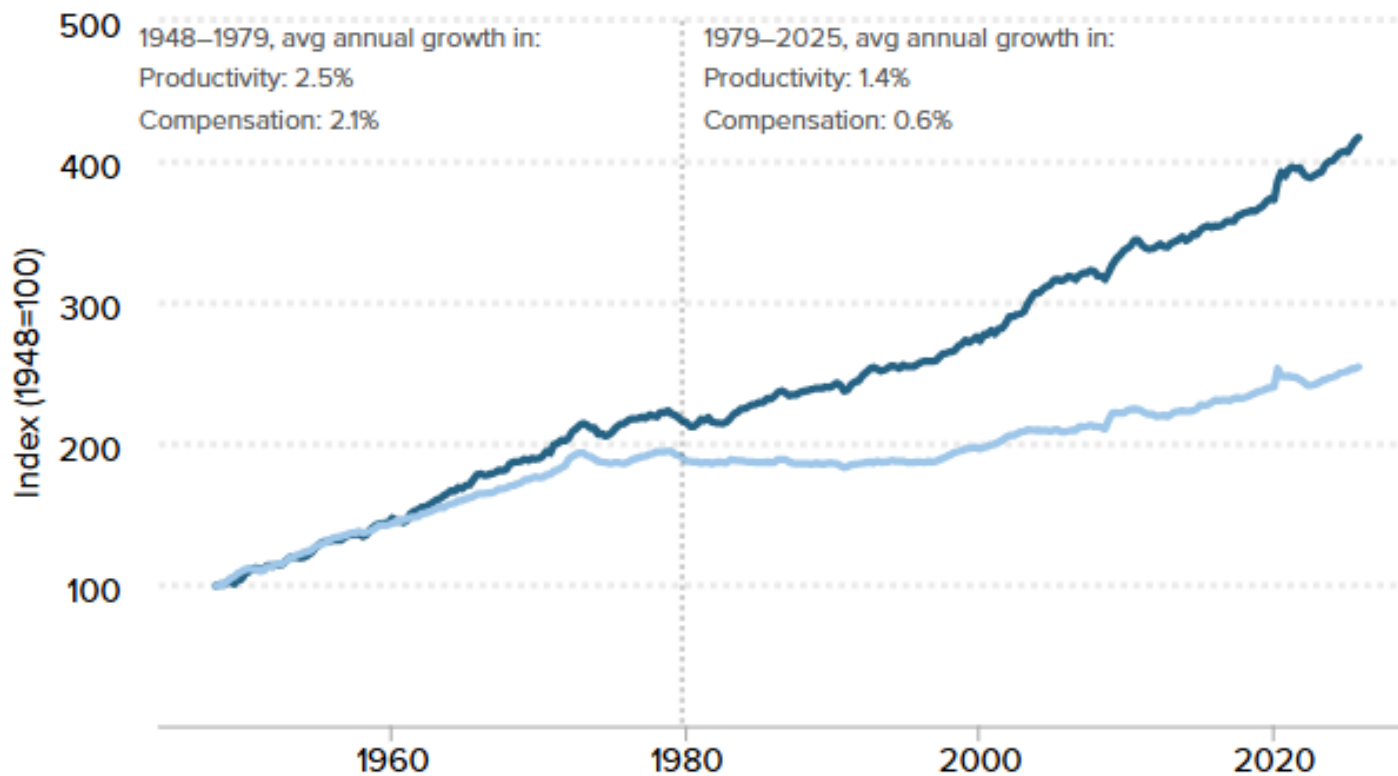


Why does it feel like America is in decline? (some of the data, you've already seen)

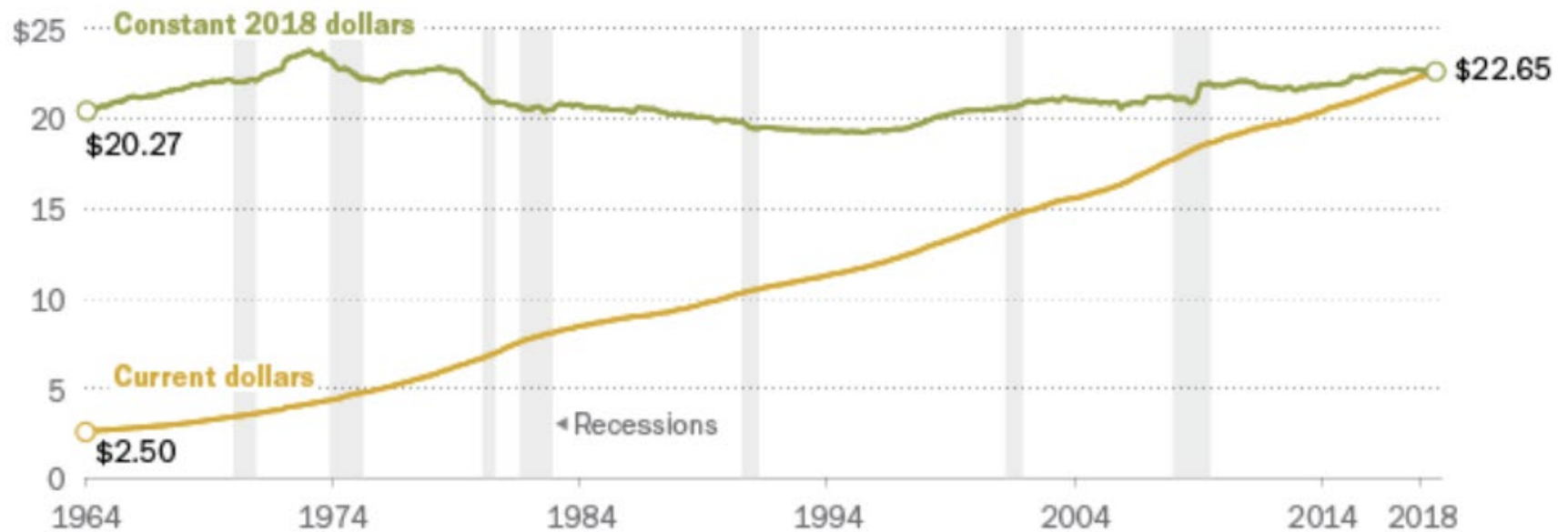
The gap between productivity and a typical worker's compensation has increased dramatically since 1979

Productivity growth and hourly compensation growth, 1948–2025



Americans' paychecks are bigger than 40 years ago, but their purchasing power has hardly budged

Average hourly wages in the U.S., seasonally adjusted



Note: Data for wages of production and non-supervisory employees on private non-farm payrolls. "Constant 2018 dollars" describes wages adjusted for inflation. "Current dollars" describes wages reported in the value of the currency when received. "Purchasing power" refers to the amount of goods or services that can be bought per unit of currency.

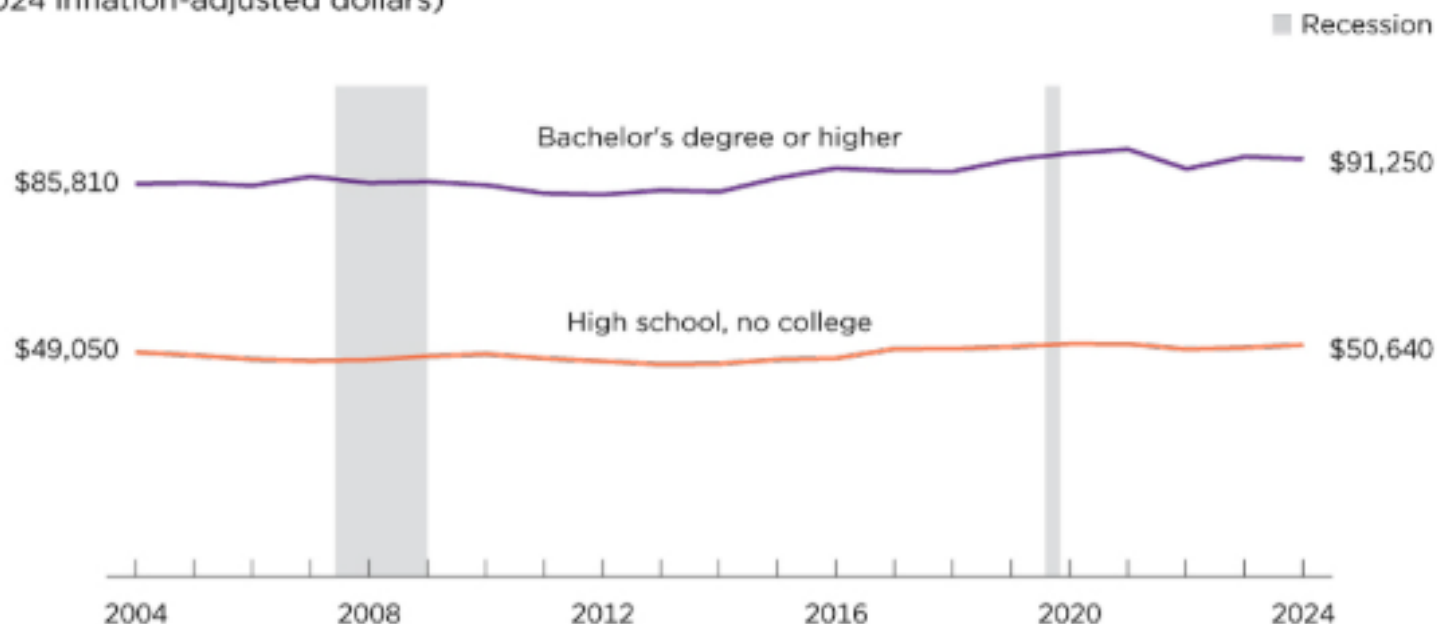
Source: U.S. Bureau of Labor Statistics.

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Figure 2.

Median Earnings of U.S. Full-Time, Year-Round Workers by Educational Attainment: 2004–2024

(2024 inflation-adjusted dollars)



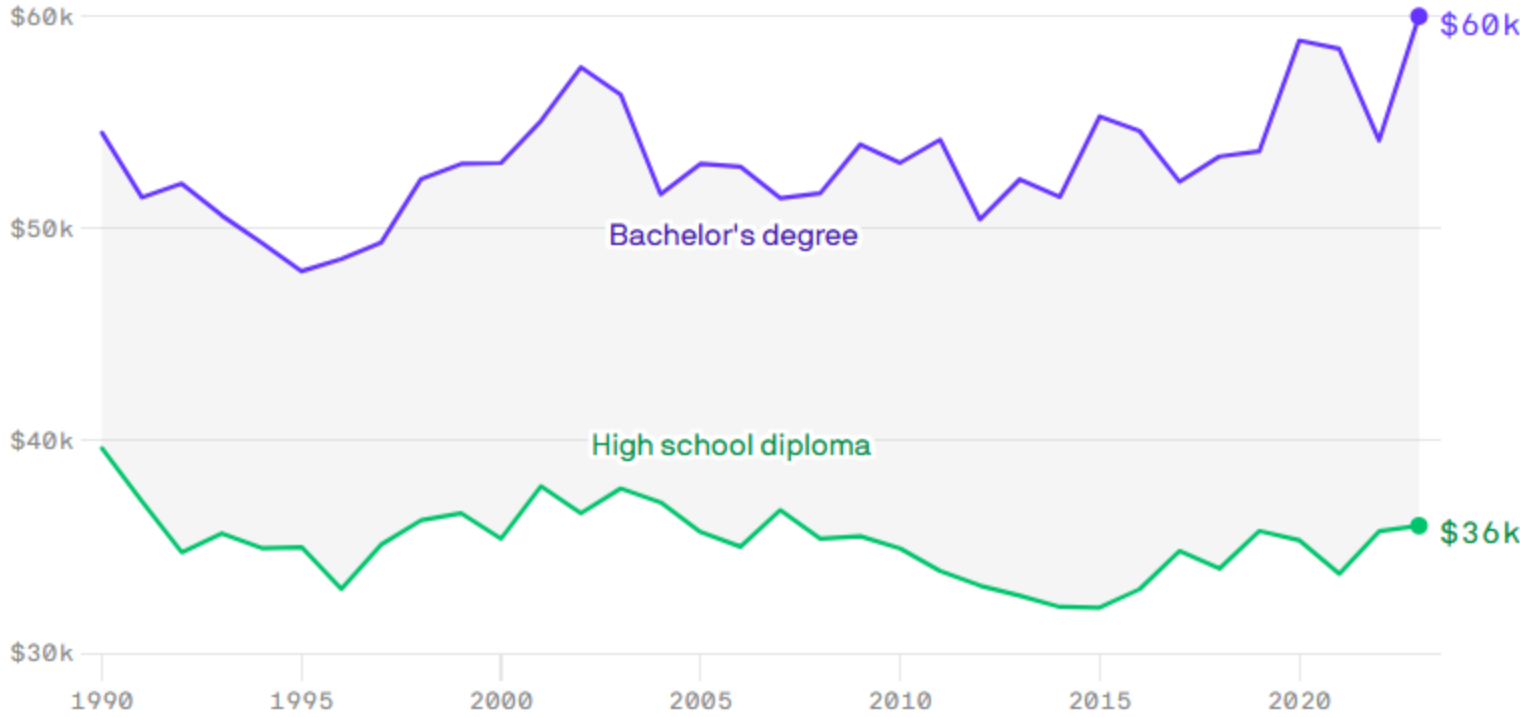
Note: People 25 years and older, as of March of the following year, with earnings. The data points are placed at the midpoints of the respective years. Definitions and information on confidentiality protection and sampling and nonsampling information are available at

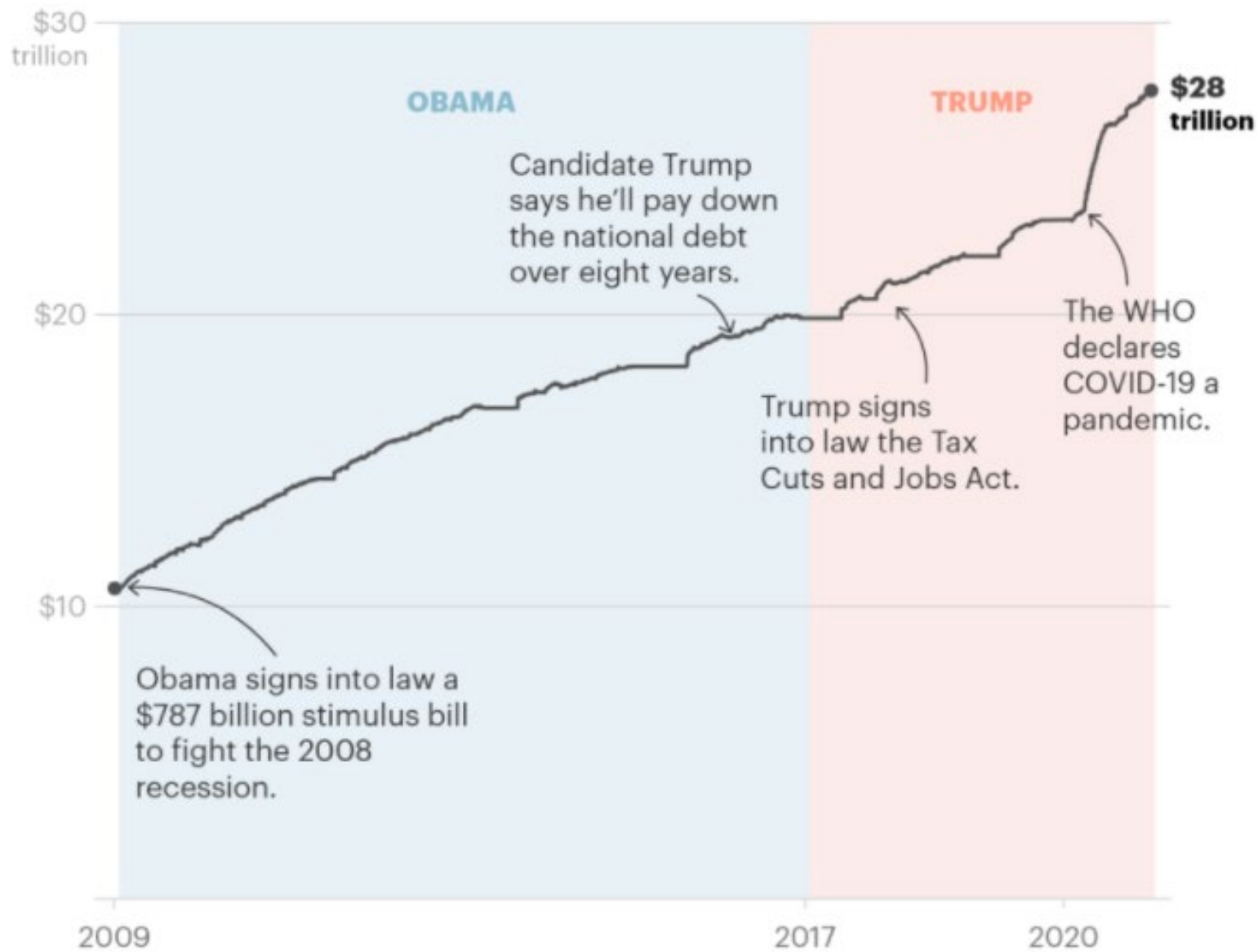
<https://www2.census.gov/programs-surveys/cps/techdocs/cpsmar25.pdf>.

Source: U.S. Census Bureau, Current Population Survey, 2005–2025 Annual Social and Economic Supplements (CPS ASEC; DMS number P-7534374, DRB approval number CBDRB-FY25-SEHSD003-097).

Median annual wage for recent graduates

Annually, in 2023 dollars; 1990 to 2023

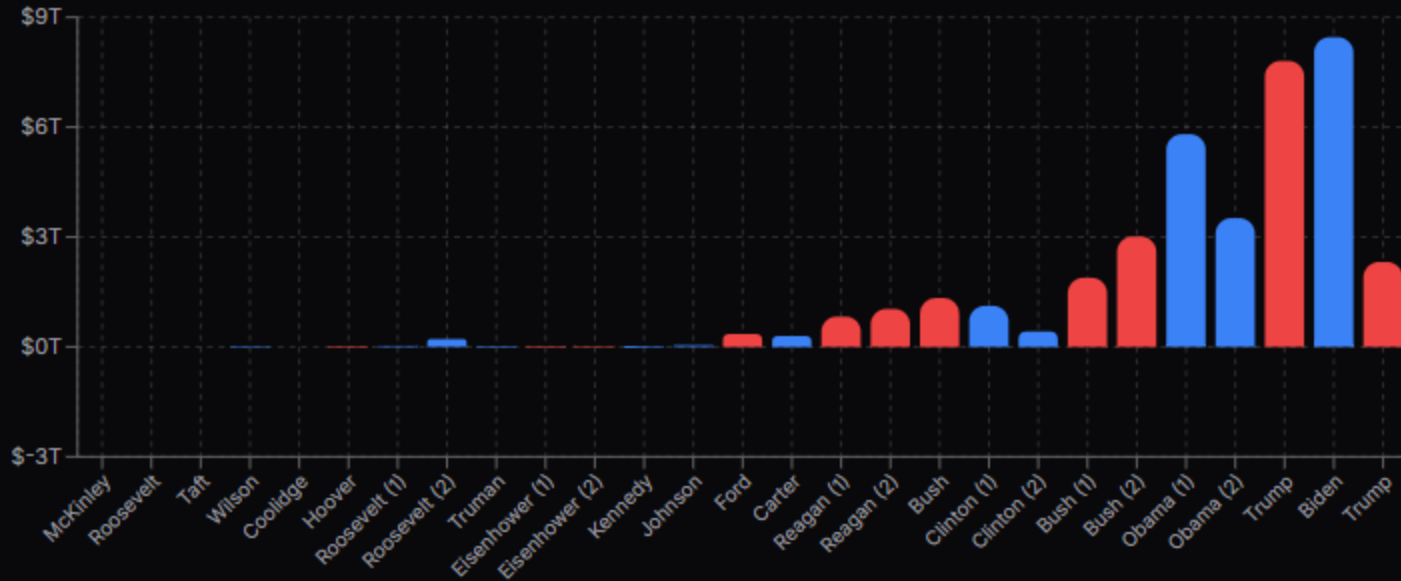




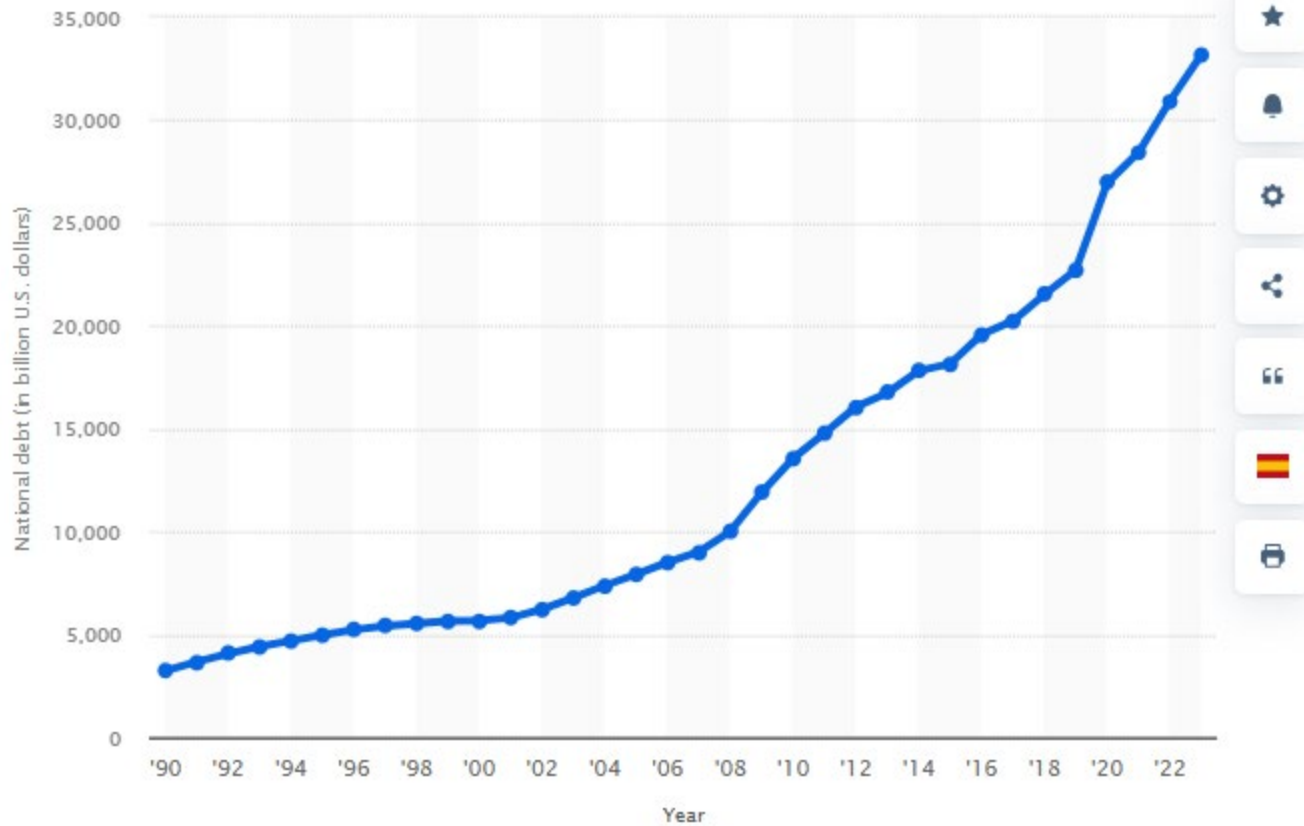
Source: U.S. Treasury (Lena V. Groeger/ProPublica)

Share

U.S. Debt Chart by Year — Debt Added by President



(in billion U.S. dollars)

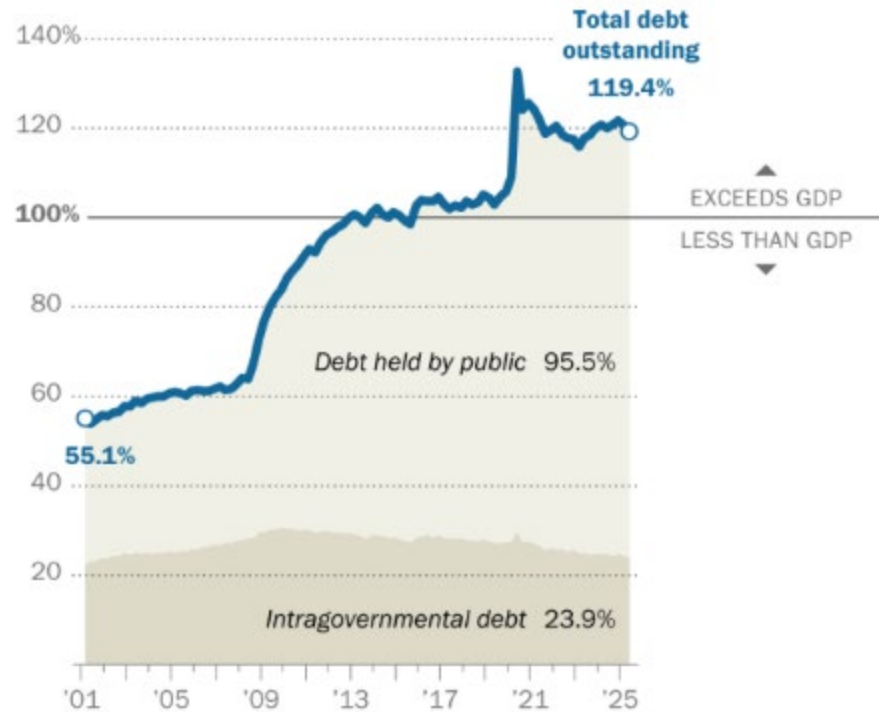


Details: United States; 1990 to 2023

© Statista 2025

U.S. national debt has risen as a share of gross domestic product

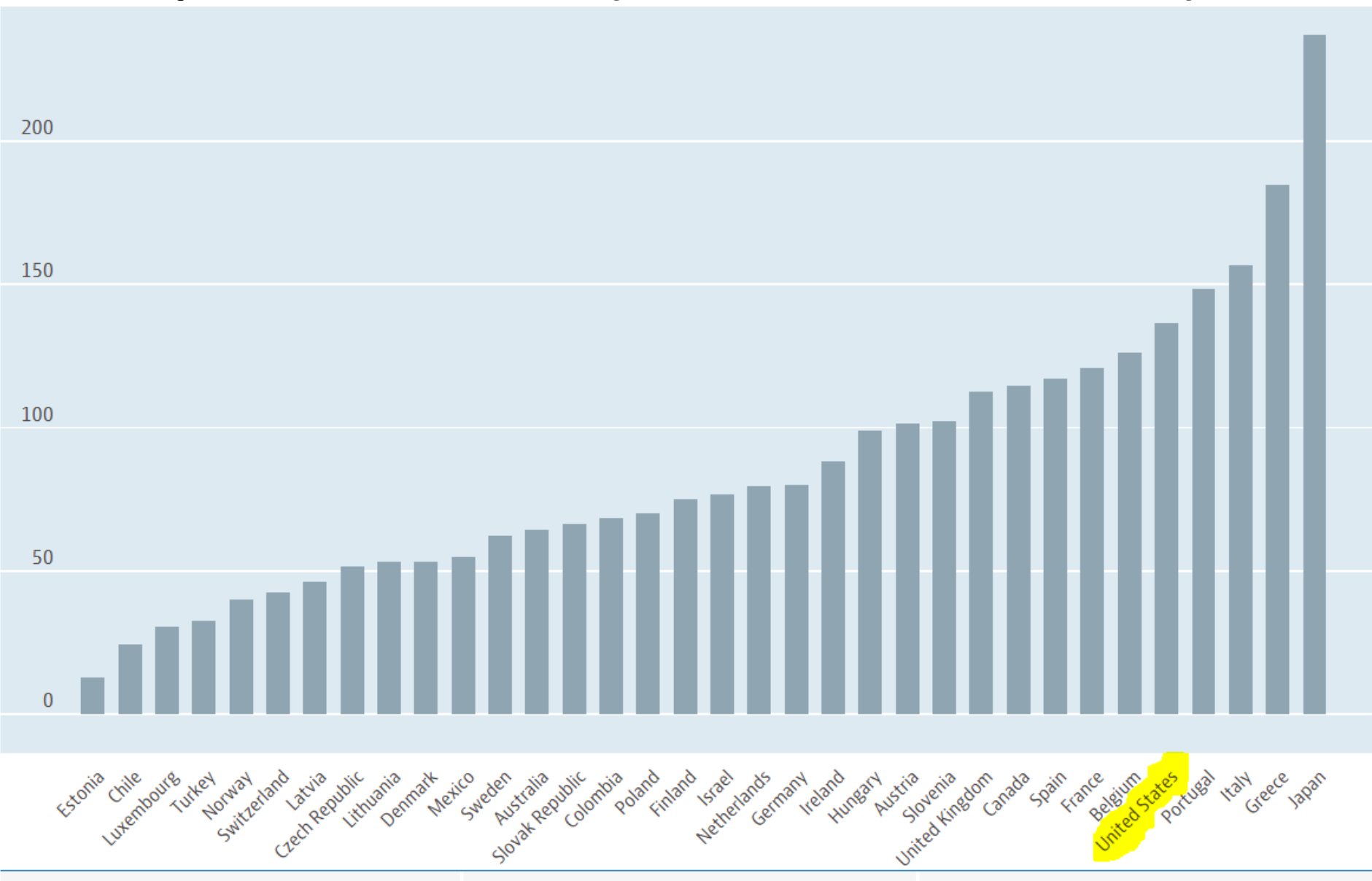
Public debt outstanding as a percentage of GDP, quarterly



Note: Data as of June 30, 2025.

Sources: Pew Research Center analysis of GDP data from the Bureau of Economic Analysis and data from the U.S. Treasury Department's "Monthly Statement of the Public Debt."

It's our debt trajectory (lots more, really fast) that is the problem... for now (2019, debt-to-GDP ratios)

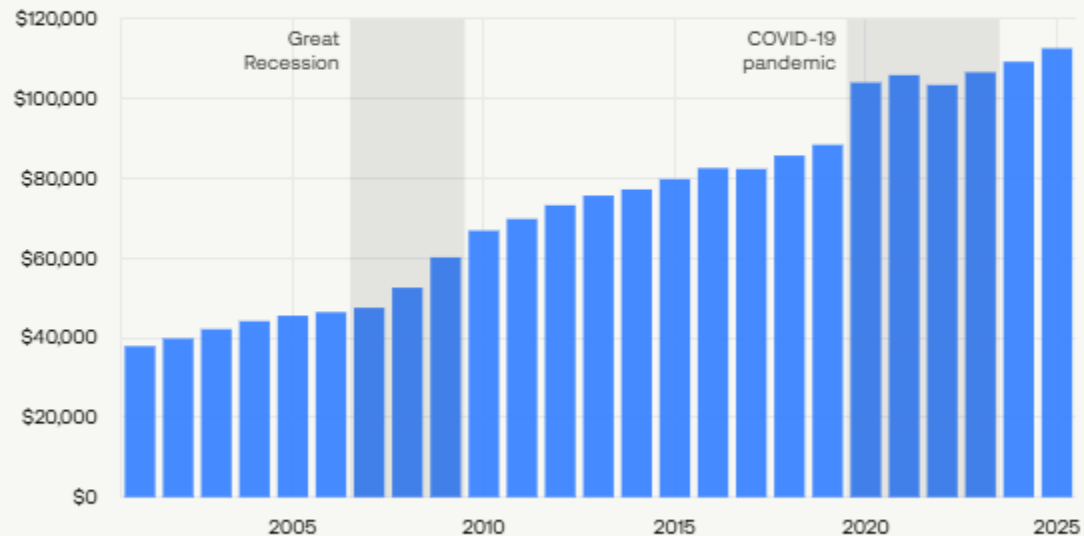


Debt per American is exploding

In 2025, total debt owed by the government is equivalent to \$112,700 per person in the US.



Total federal debt outstanding per person, adjusted for inflation (2025 dollars)



Source: US Census Bureau and US Department of the Treasury →

USA Facts

Two president (Trump 1st, Biden) double the national debt...And a year into Trump 2, it's 38T

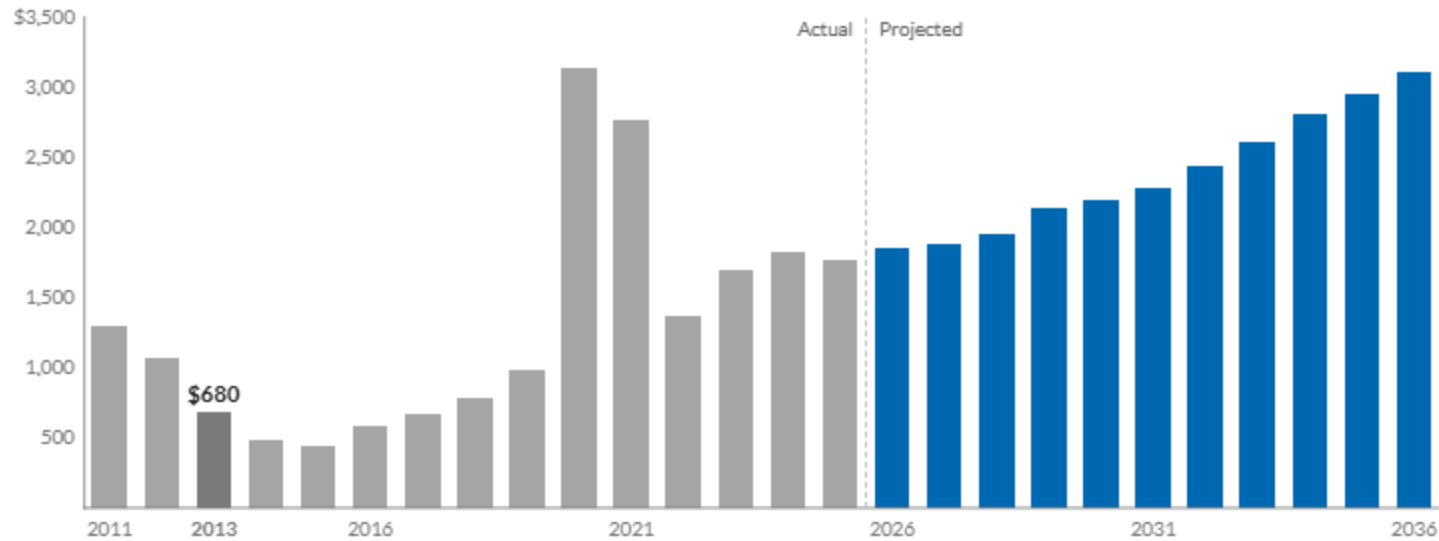
Sources: [Office of Management and Budget](#) and [Congressional Budget Office](#) • [Embed](#) • [Download image](#)

Note: Projected data have been adjusted to remove the effects of timing shifts. Data includes the [long-term](#) and [ten-year](#) projections.



Deficits will soon exceed \$2 trillion

Annual Deficits (Billions of \$)



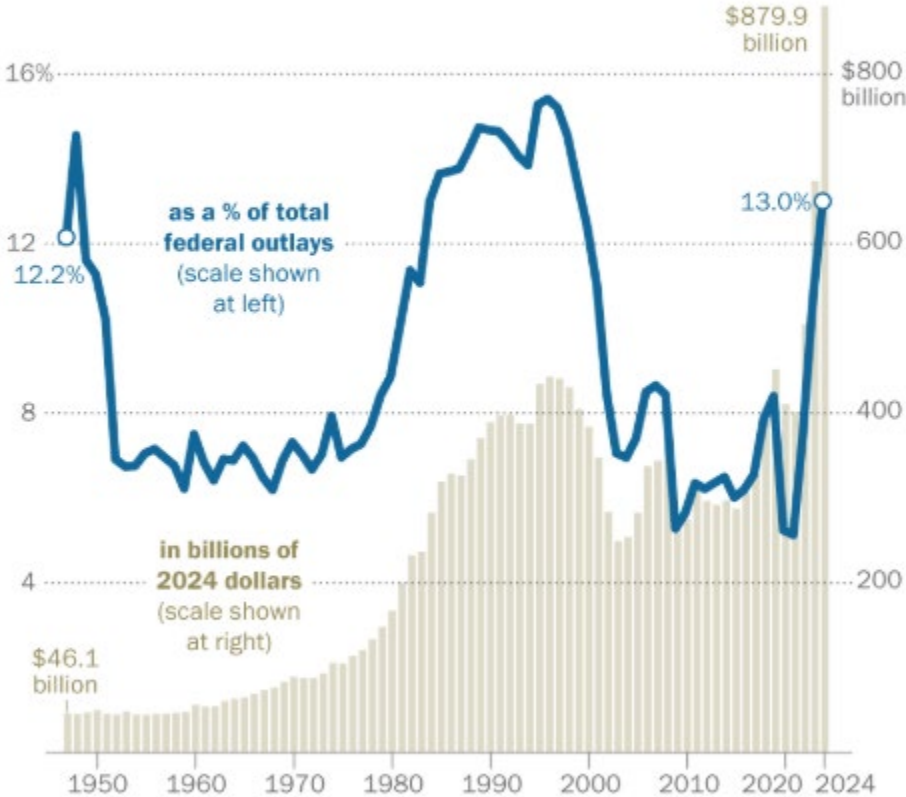
Sources: [Congressional Budget Office](#) and [Office of Management and Budget](#) • [Embed](#) • [Download image](#)



What happens as interest rates rise to historical norms?

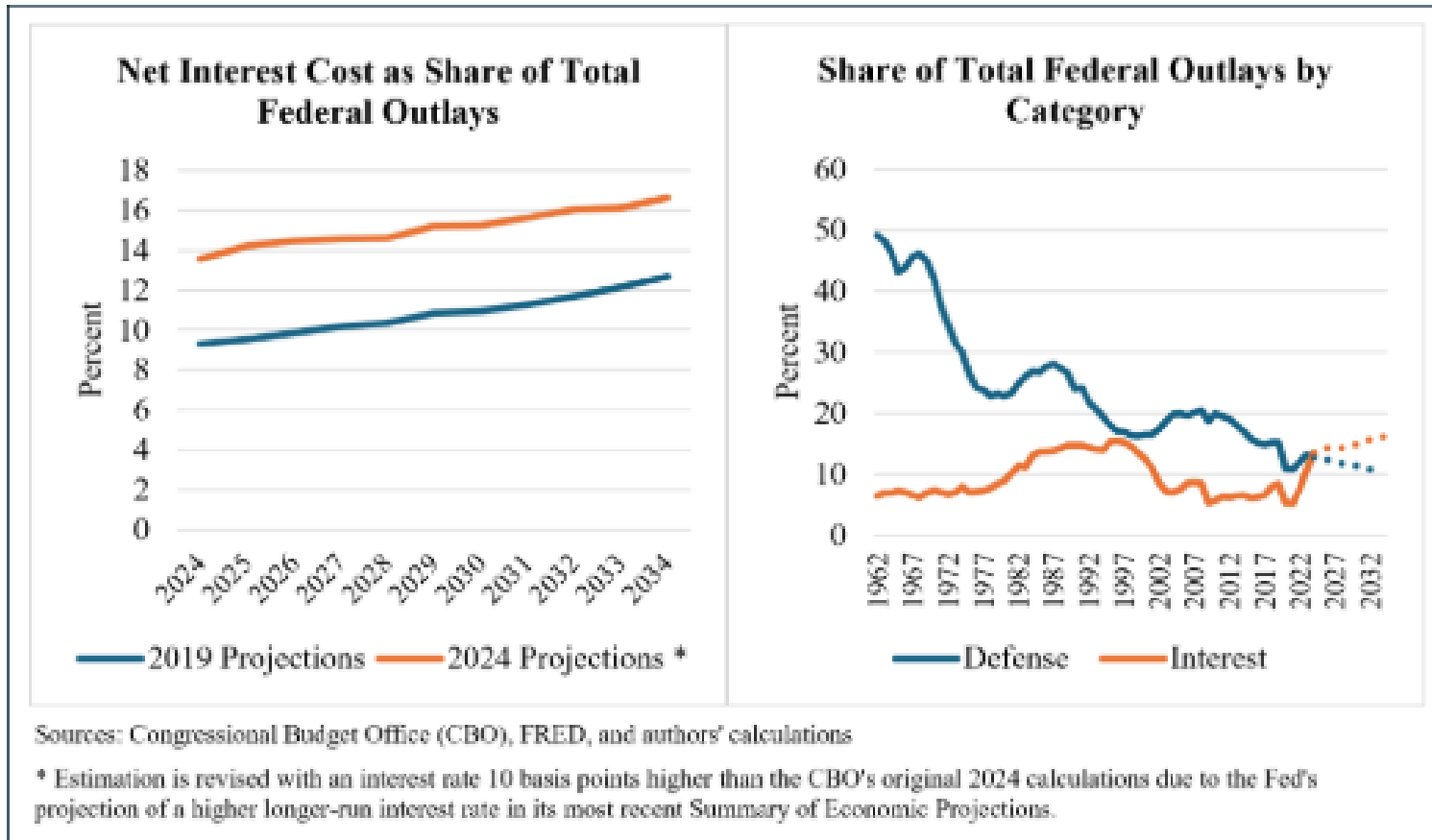
Interest payments on the U.S. national debt spiked following the COVID-19 pandemic

Net interest on the national debt, by fiscal year



Note: Rates and dollar amounts are rounded to the nearest decimal point.
Source: Office of Management and Budget.

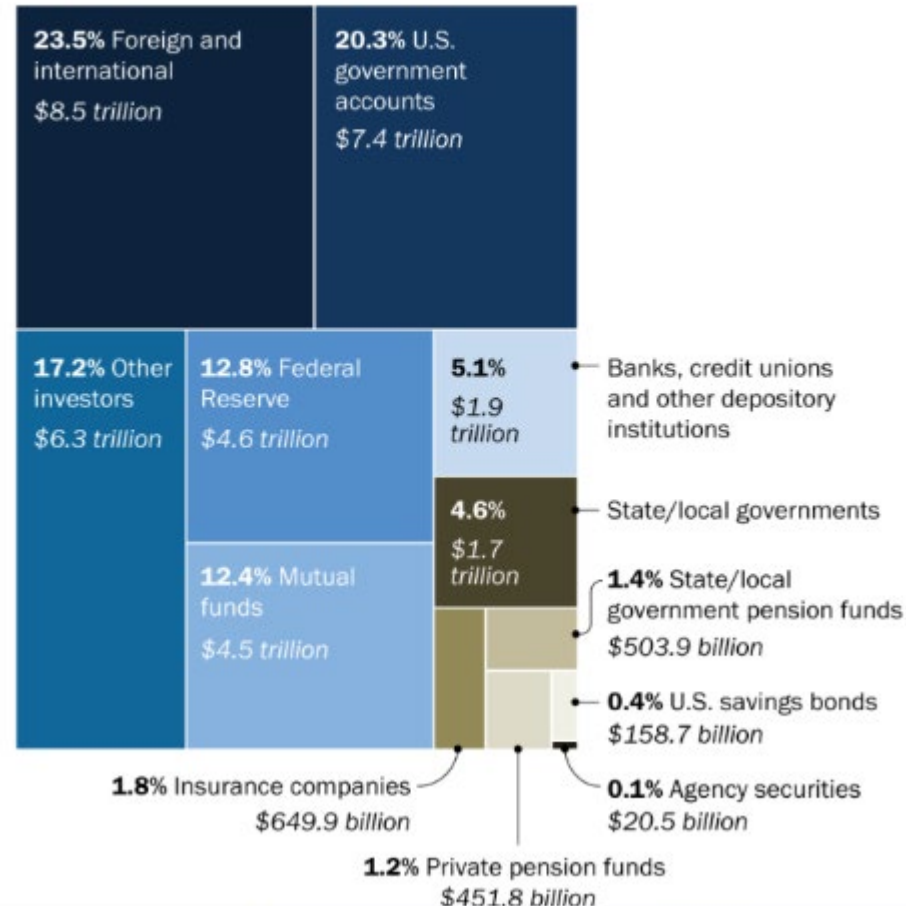
Spending more on debt interest than US defense?



Can't we just stiff foreign governments and companies? No

Who owns the U.S. public debt?

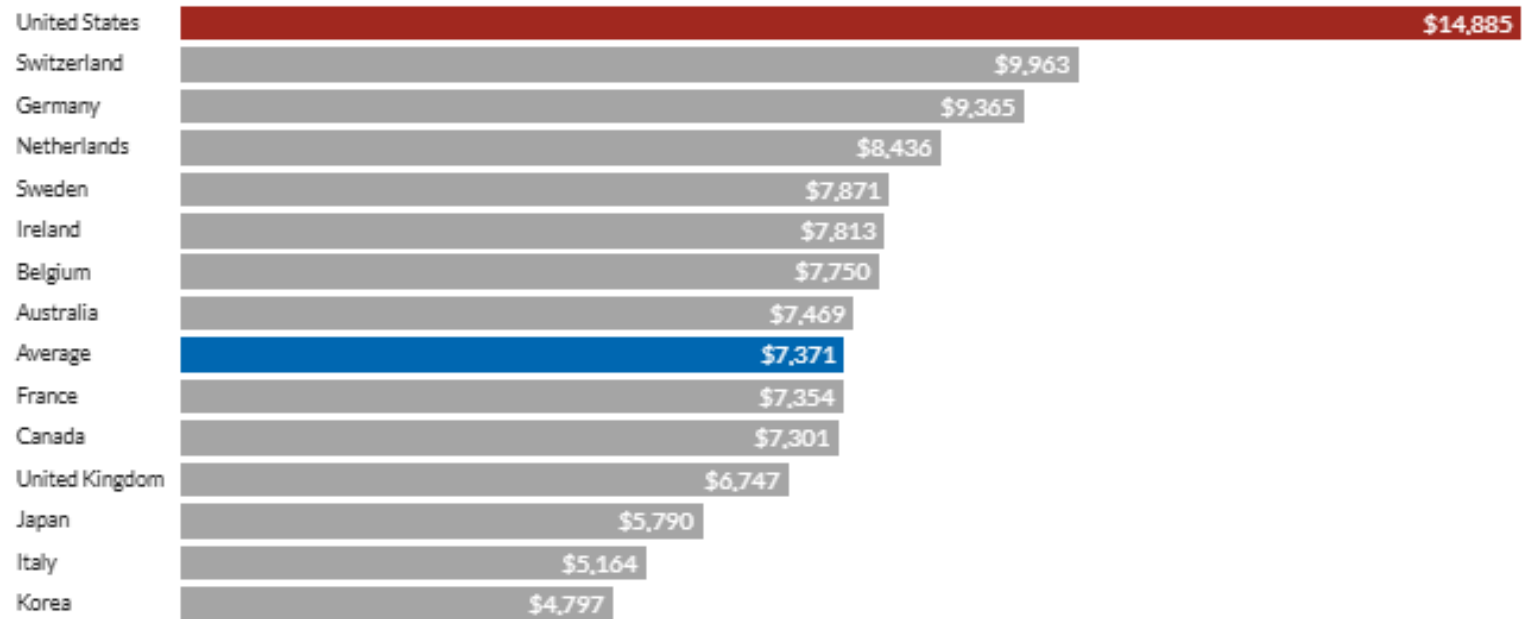
Estimated ownership of U.S. Treasury securities, December 2024



All that debt (mostly driven by tax cuts, war borrowing, and tough-times stimuli)... not much to show for it in terms of investing in our nation's future

U.S. healthcare spending per capita is twice the average of other wealthy countries

Healthcare Costs per Capita (\$)



Source: [Organisation for Economic Co-operation and Development](#) • [Embed](#) • [Download image](#)

Notes: Data are for 2024. Average does not include the United States. The five countries with the largest economies and those with both an above median GDP and GDP per capita, relative to all OECD countries, were included. Chart uses purchasing power parities to convert data into U.S. dollars.

US Healthcare: Paying the most for the middling quality that is the least efficient & least equitable

EXHIBIT ES-1. OVERALL RANKING

COUNTRY RANKINGS

Top 2*
Middle
Bottom 2*

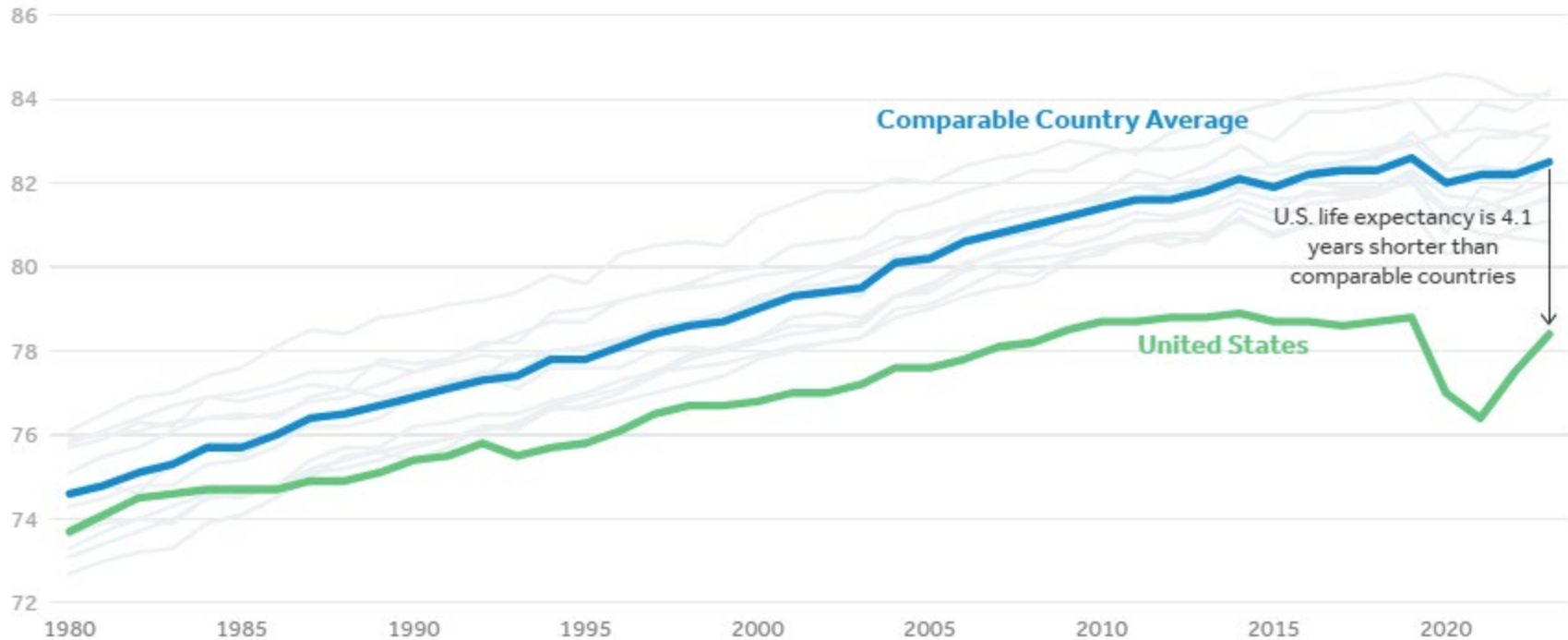


	AUS	CAN	FRA	GER	NETH	NZ	NOR	SWE	SWIZ	UK	US
OVERALL RANKING (2013)	4	10	9	5	5	7	7	3	2	1	11
Quality Care	2	9	8	7	5	4	11	10	3	1	5
Effective Care	4	7	9	6	5	2	11	10	8	1	3
Safe Care	3	10	2	6	7	9	11	5	4	1	7
Coordinated Care	4	8	9	10	5	2	7	11	3	1	6
Patient-Centered Care	5	8	10	7	3	6	11	9	2	1	4
Access	8	9	11	2	4	7	6	4	2	1	9
Cost-Related Problem	9	5	10	4	8	6	3	1	7	1	11
Timeliness of Care	6	11	10	4	2	7	8	9	1	3	5
Efficiency	4	10	8	9	7	3	4	2	6	1	11
Equity	5	9	7	4	8	10	6	1	2	2	11
Healthy Lives	4	8	1	7	5	9	6	2	3	10	11
Health Expenditures/Capita, 2011**	\$3,800	\$4,522	\$4,118	\$4,495	\$5,099	\$3,182	\$5,669	\$3,925	\$5,643	\$3,405	\$8,508

Notes: * Includes ties. ** Expenditures shown in SUS PPP (purchasing power parity); Australian \$ data are from 2010.

Source: Calculated by The Commonwealth Fund based on 2011 International Health Policy Survey of Sicker Adults; 2012 International Health Policy Survey of Primary Care Physicians; 2013 International Health Policy Survey; Commonwealth Fund National Scorecard 2011; World Health Organization; and Organization for Economic Cooperation and Development, OECD Health Data, 2013 (Paris: OECD, Nov. 2013).

US Healthcare: Living shorter lives than our peers



Notes: Comparable countries include Australia, Austria, Belgium, Canada, France, Germany, Japan, the Netherlands, Sweden, Switzerland, and the U.K. 2023 U.K. life expectancy data is only for England and Wales. See [Methods section](#) of "How does U.S. life expectancy compare to other countries?"

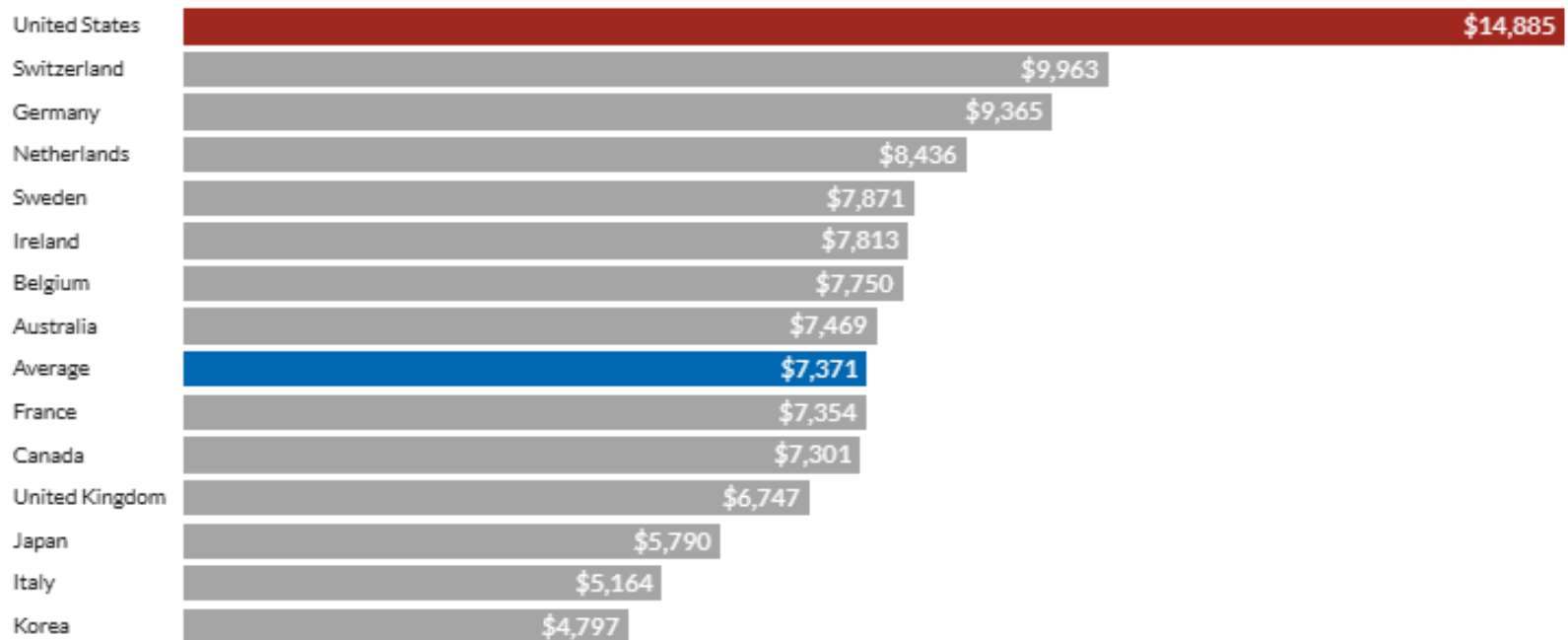
Source KFF analysis of [CDC](#), [OECD](#), [Australian Bureau of Statistics](#), [German Federal Statistical Office](#), [Japanese Ministry of Health, Labour, and Welfare](#), [Statistics Canada](#), and [U.K. Office for National Statistics](#) data • [Get the data](#) • [PNG](#)

Peterson-KFF

Health System Tracker

U.S. healthcare spending per capita is twice the average of other wealthy countries

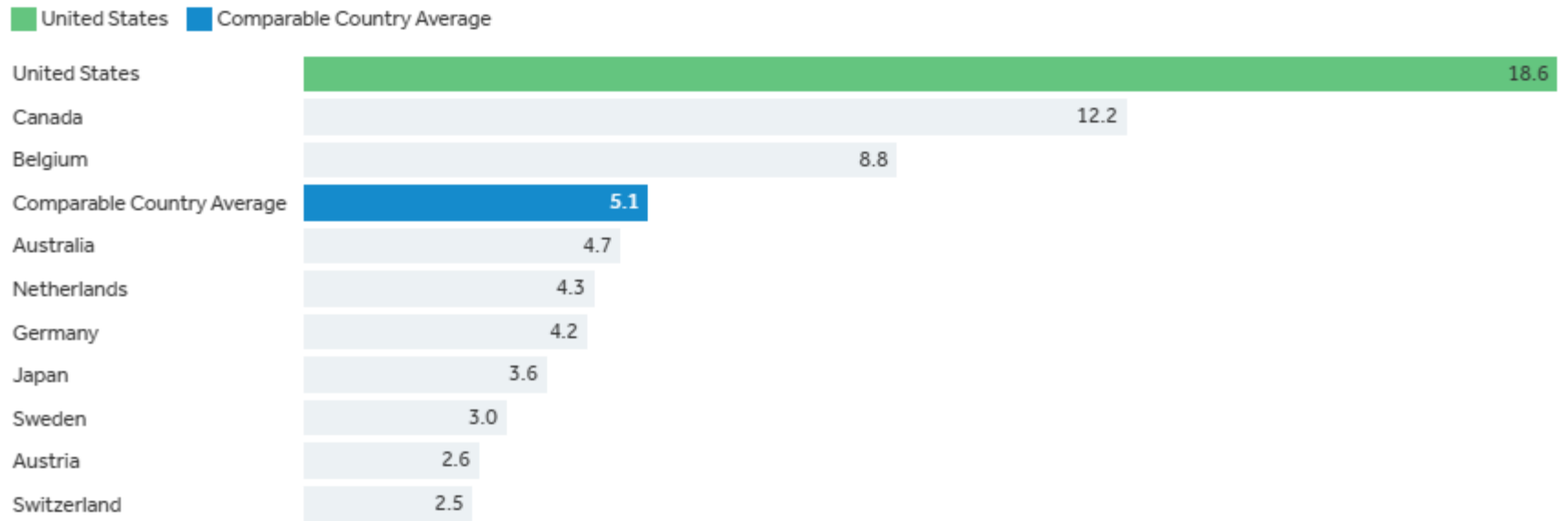
Healthcare Costs per Capita (\$)



Source: [Organisation for Economic Co-operation and Development](#) • [Embed](#) • [Download image](#)

Notes: Data are for 2024. Average does not include the United States. The five countries with the largest economies and those with both an above median GDP and GDP per capita, relative to all OECD countries, were included. Chart uses purchasing power parities to convert data into U.S. dollars.

Maternal mortality rate per 100,000 live births, 2023 (or latest year available)

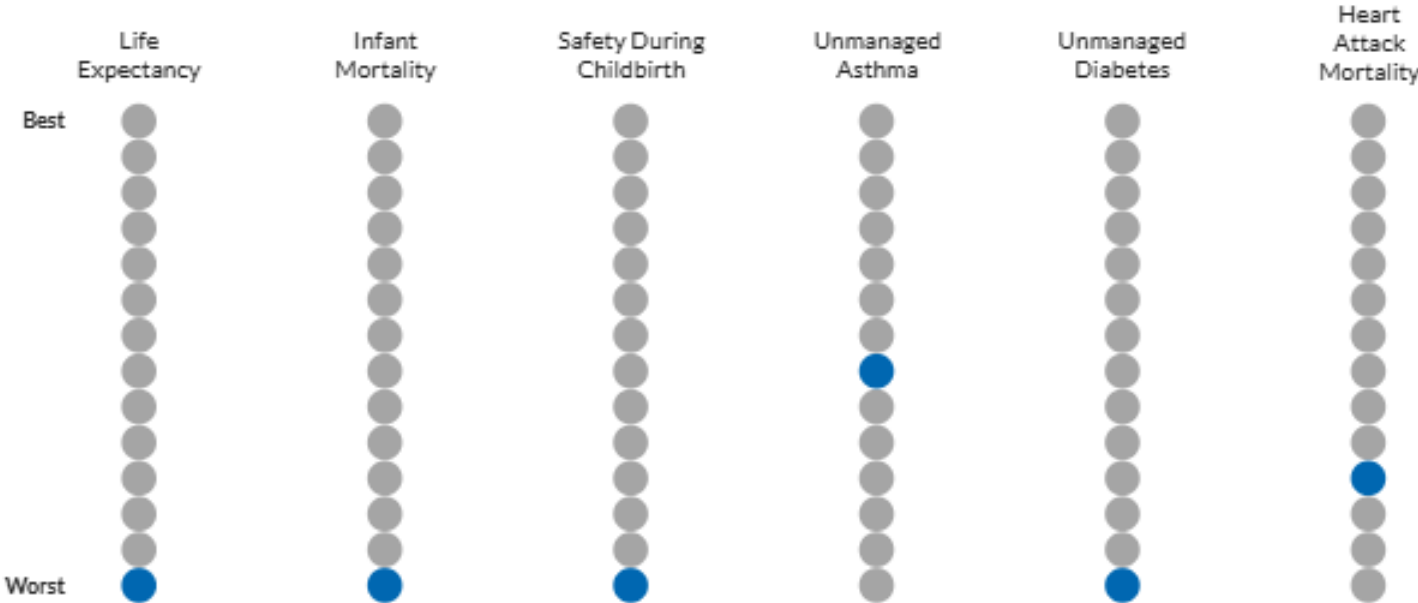


Note: Data for the Netherlands is estimated. Data for Australia and Belgium are from 2022. Australia's definition differs.

Source KFF analysis of [OECD](#) • [Get the data](#) • [PNG](#)

The United States has worse healthcare outcomes compared to other wealthy countries

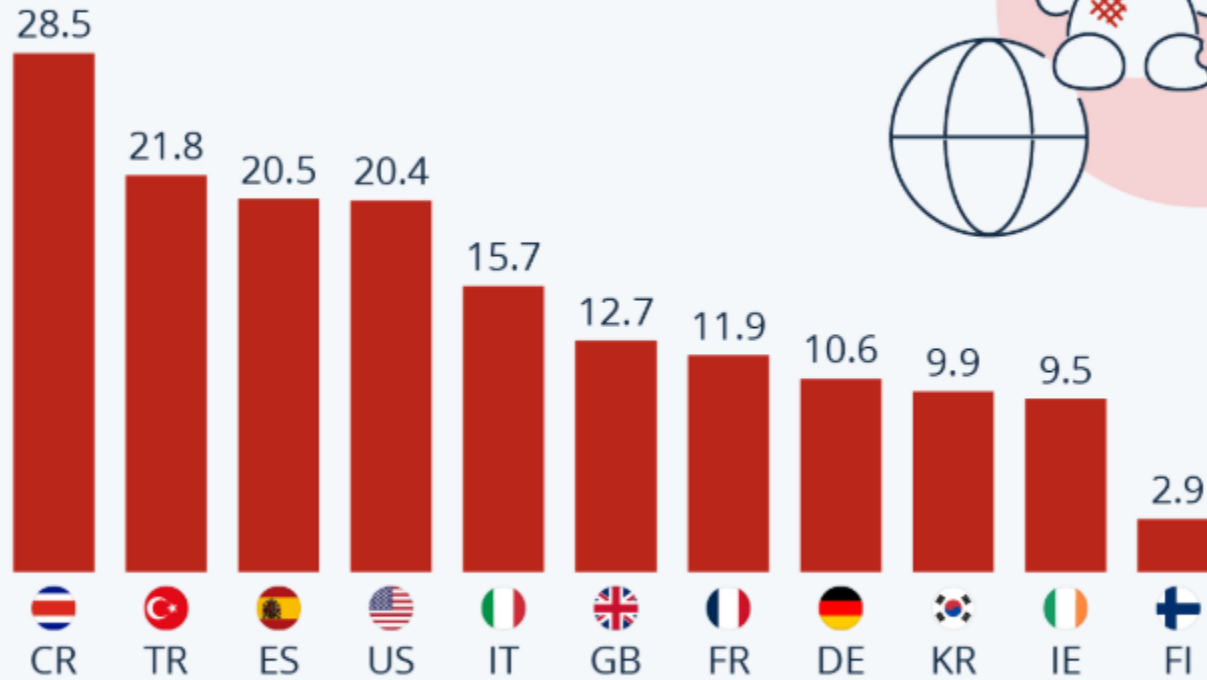
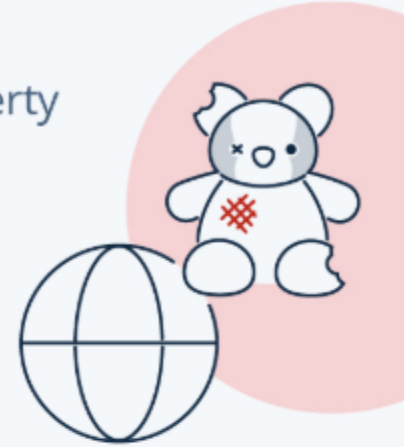
● United States



Source: [Organisation for Economic Co-operation and Development](#) • [Embed](#) • [Download image](#)
Notes: Data are for 2023 or latest available.

in Perspective

Share of children aged 0-17 living in poverty in selected OECD countries* (in %)



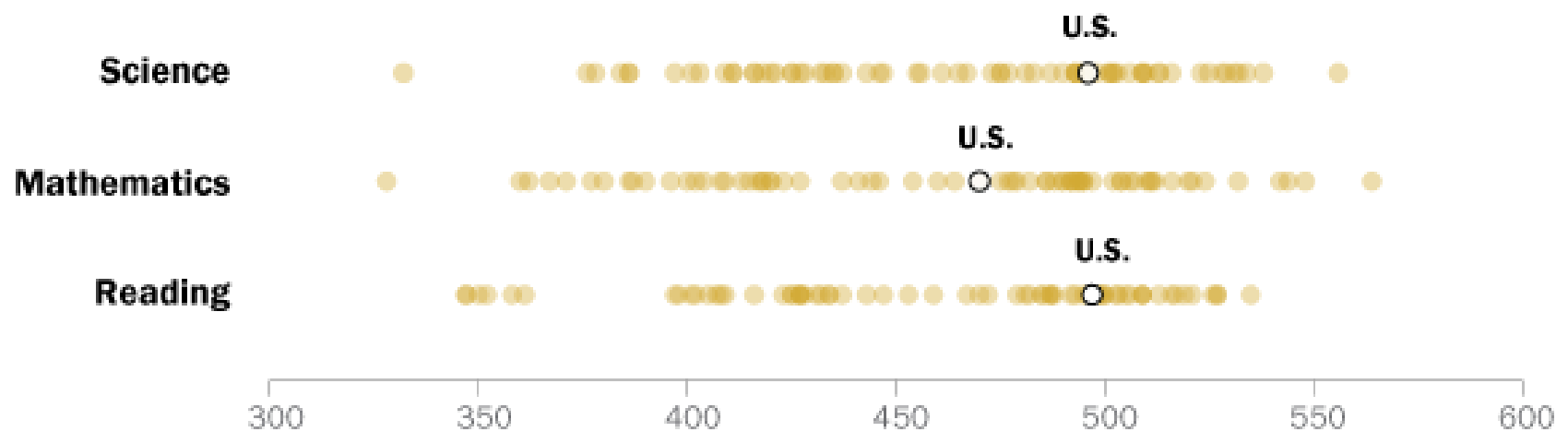
* 2022 or latest available year

Source: OECD



Internationally, U.S. stands in middle of pack on science, math, reading scores

Average scores of 15-year-olds taking the 2015 Program for International Student Assessment



Note: Scale ranges from 0-1,000. Results from China not included because only four provinces participated in PISA 2015.

Source: OECD, PISA 2015

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And then there's the political divide (American soft power)

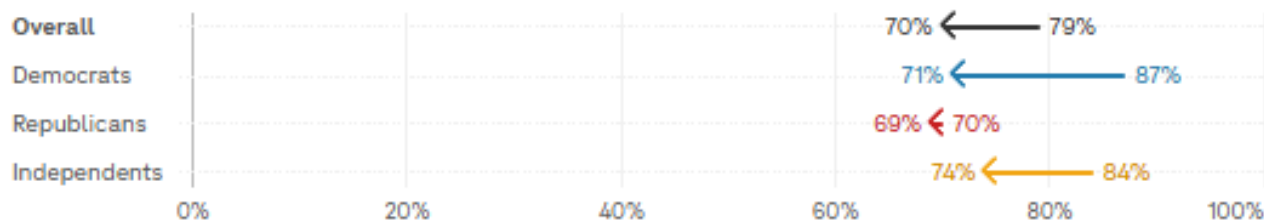
More U.S. adults say Americans may have to resort to political violence

Respondents were asked if they agree with the statement, "Americans may have to resort to violence in order to get the country back on track?"

AGREE WITH THE STATEMENT



DISAGREE WITH THE STATEMENT

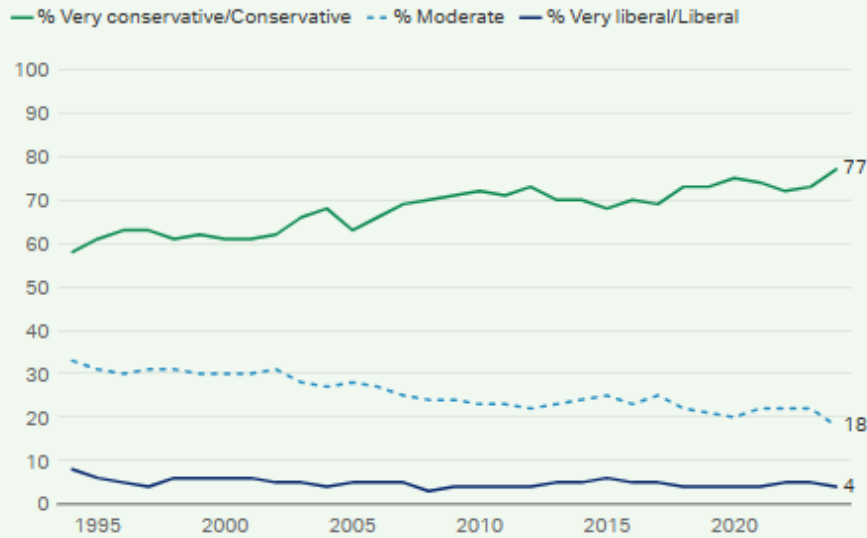


Source: NPR/PBS News/Marist poll. 2024 data is from a survey of 1,305 adults conducted March 25-28, 2024. The margin of error for the overall sample is 3.5 percentage points. 2025 data is from a survey of 1,477 U.S. adults conducted Sept. 22-26, 2025. The margin of error is 3.1 percentage points.

Credit: Rahul Mukherjee and Alyson Hurt/NPR

Republicans' Political Ideology, 1994-2024

How would you describe your political views -- very conservative, conservative, moderate, liberal or very liberal?



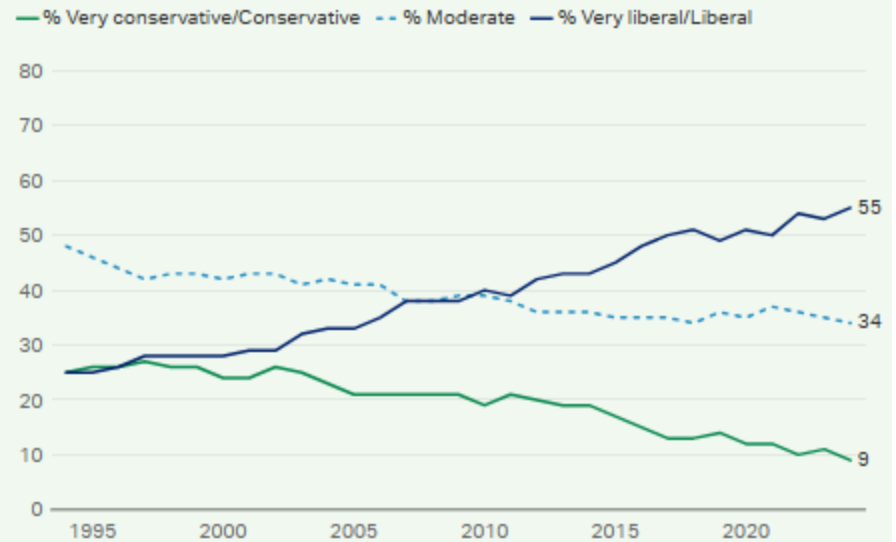
Based on annual averages of Gallup telephone interview data

[Get the data](#) • [Download image](#)

GALLUP

Democrats' Political Ideology, 1994-2024

How would you describe your political views -- very conservative, conservative, moderate, liberal or very liberal?



Based on annual averages of Gallup telephone interview data

Made in China vs. Made in America

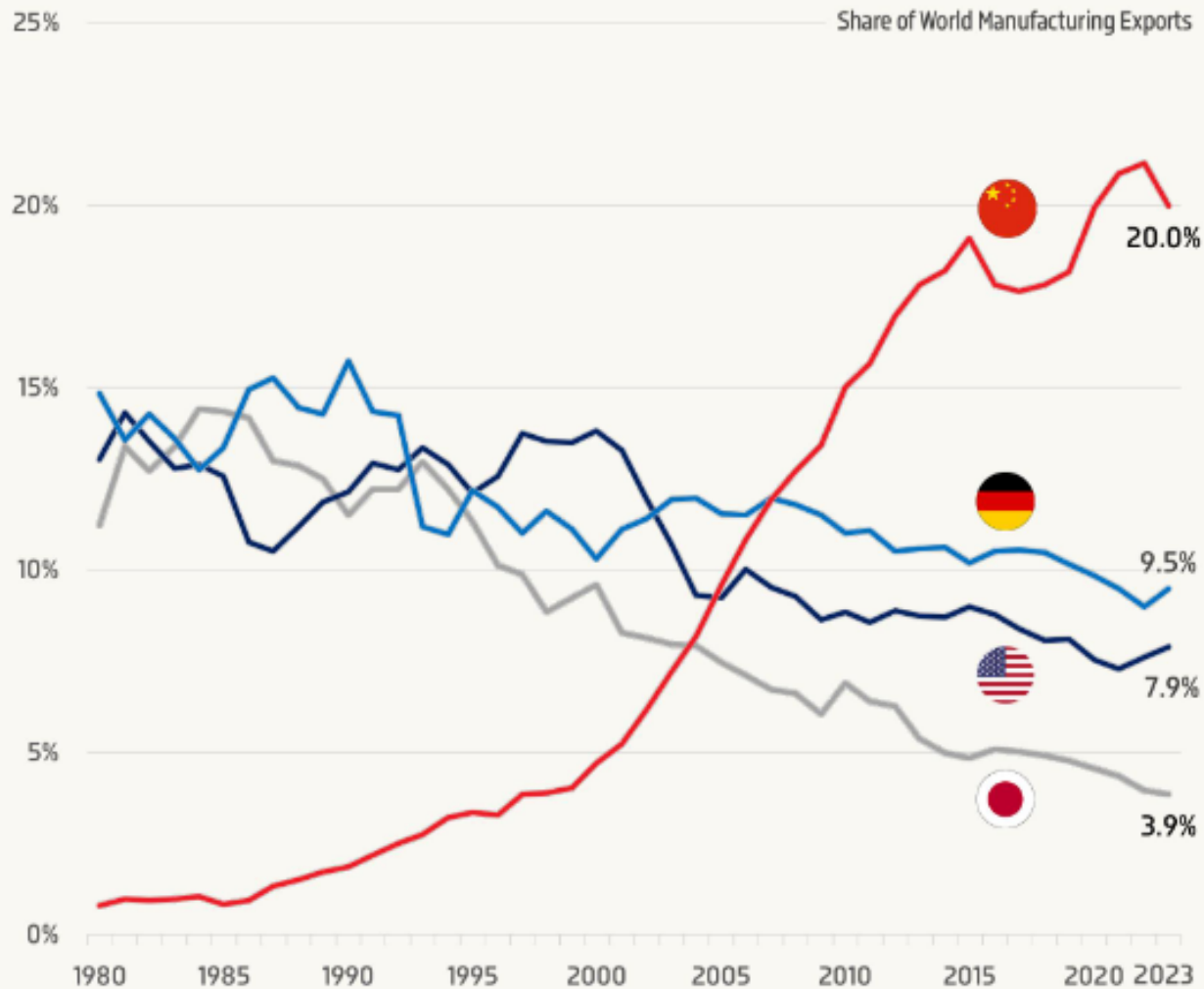
China's and the United States' share of global manufacturing output*



* Output measured on a value-added basis in current U.S. dollars.
Prior to 2004, Chinese data includes mining and utilities.

Source: United Nations Statistics Division

Global Manufacturing Export Shift: China's Rise as U.S., Germany, and Japan Decline



Source of Primary Data: WTO

www.econovis.net

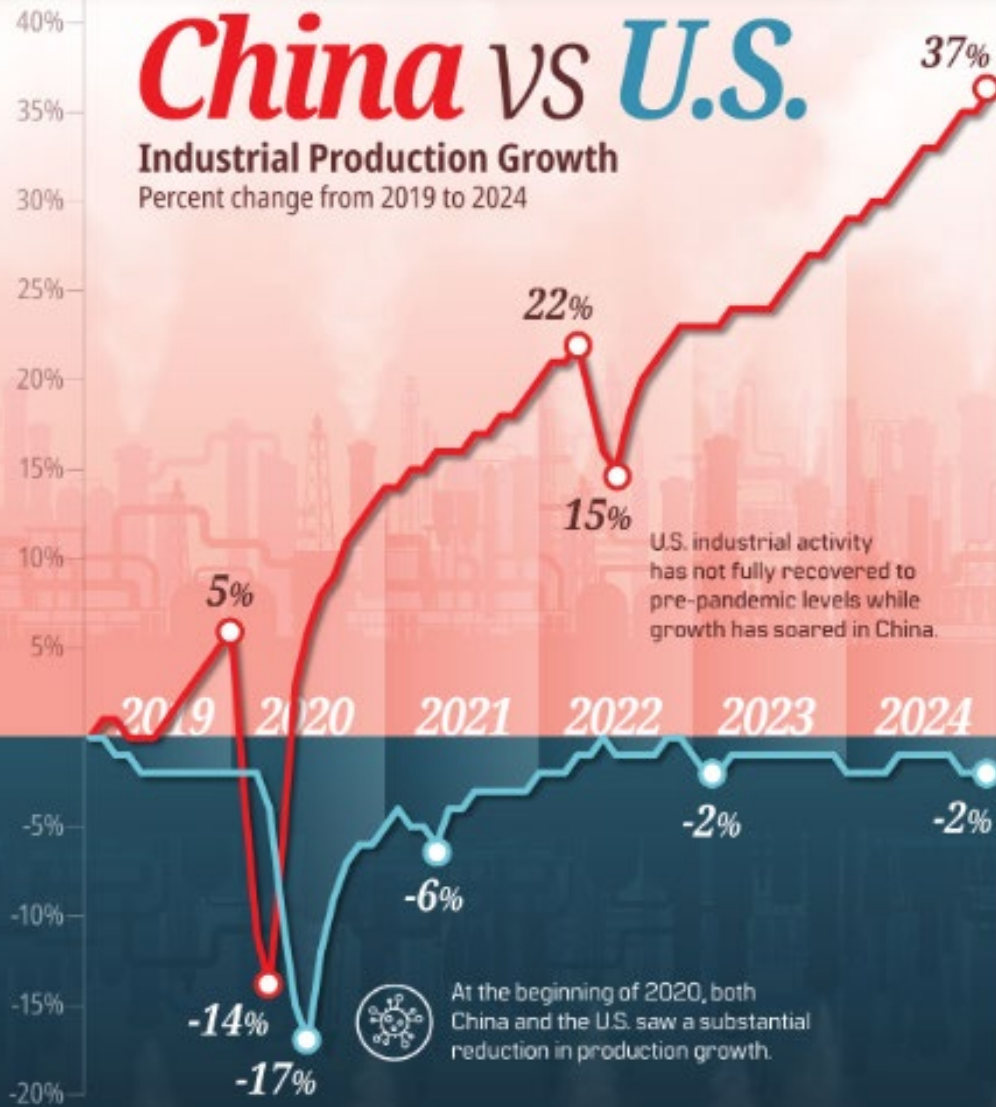
@econovisuals



China vs U.S.

Industrial Production Growth

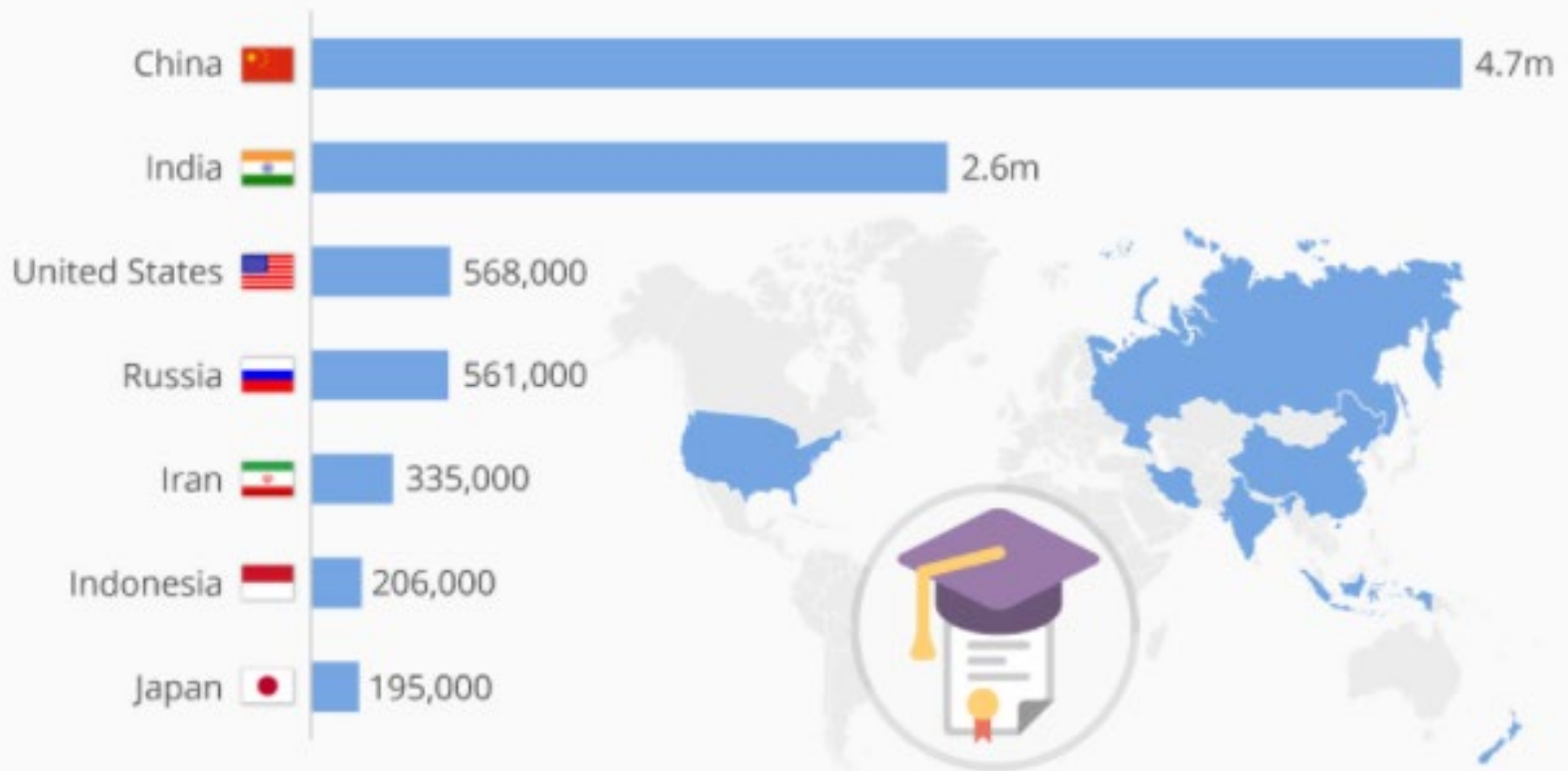
Percent change from 2019 to 2024



TRENDS IN FUTURE DEVELOPMENT: INNOVATION AND INVESTMENT IN HUMAN CAPITAL OUTSIDE OF THE WEST WILL DRIVE DEVELOPMENT

The Countries With The Most STEM Graduates

Recent graduates in Science, Technology, Engineering & Mathematics (2016)



But, but, but.... America can
remain very strong

REMEMBER THE BIG PICTURE

GDP per capita

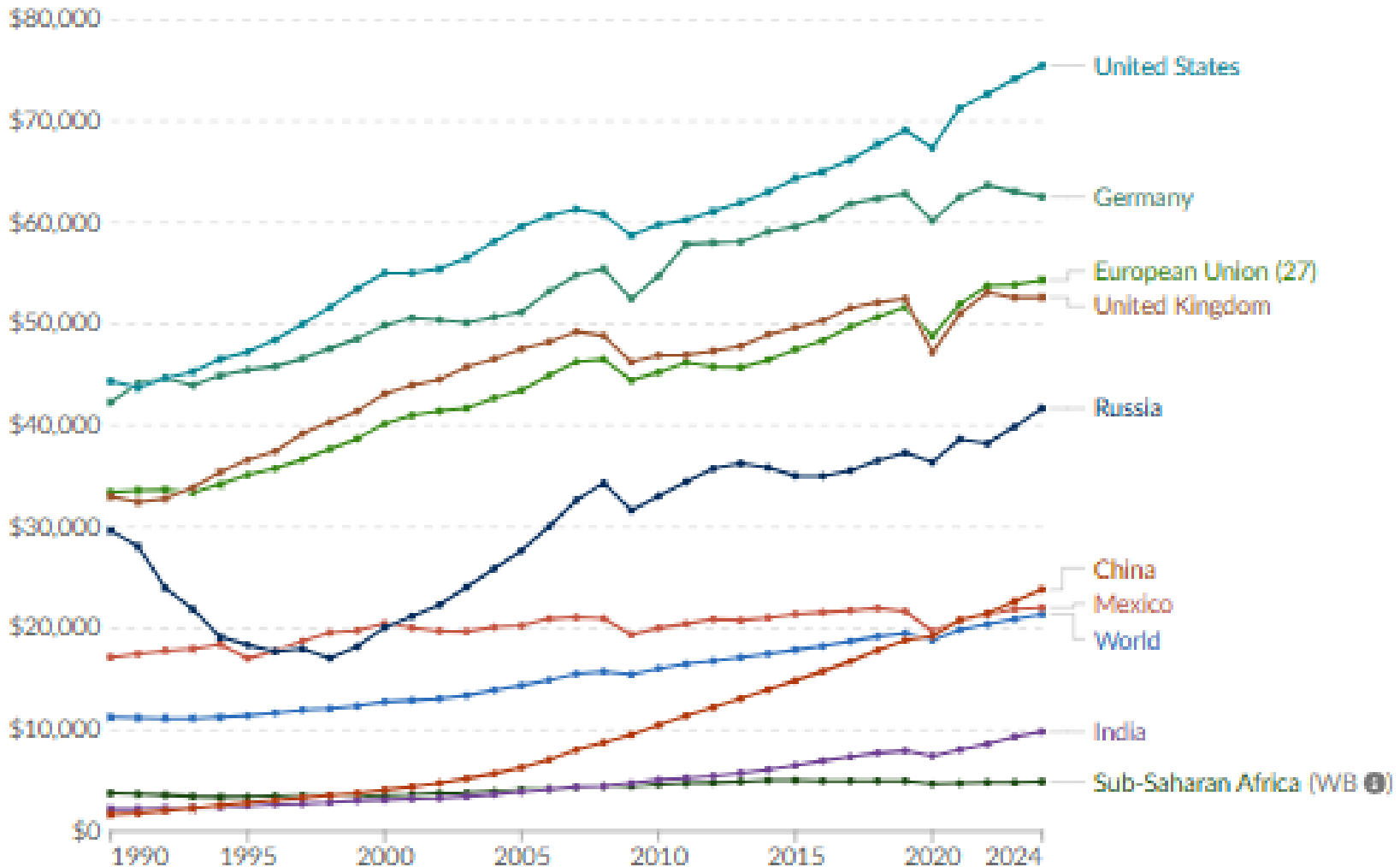
Our World
In Data

GDP per capita is a country's gross domestic product divided by its population. This data is adjusted for inflation and differences in living costs between countries.

Table | Map | **Line** | +3

Edit countries and regions

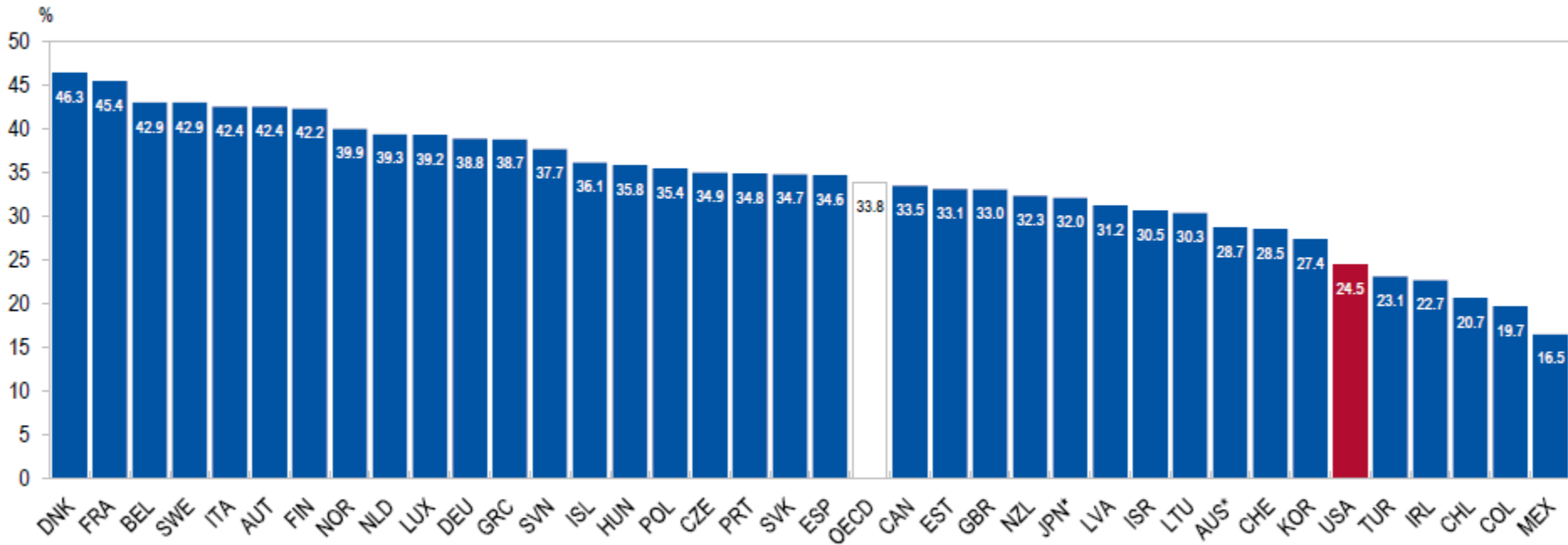
Settings



Some good news: We have room to grow our tax base (other very strong economies tax more)

Tax-to-GDP ratio compared to the OECD, 2019

The United States ranked 32nd out of 37 OECD countries in terms of the tax-to-GDP ratio in 2019. In 2019, the United States had a tax-to-GDP ratio of 24.5% compared with the OECD average of 33.8%. In 2018, the United States was also ranked 32nd out of the 37 OECD countries in terms of the tax-to-GDP ratio.



* Australia and Japan are unable to provide provisional 2019 data, therefore their latest 2018 data are presented within this country note.

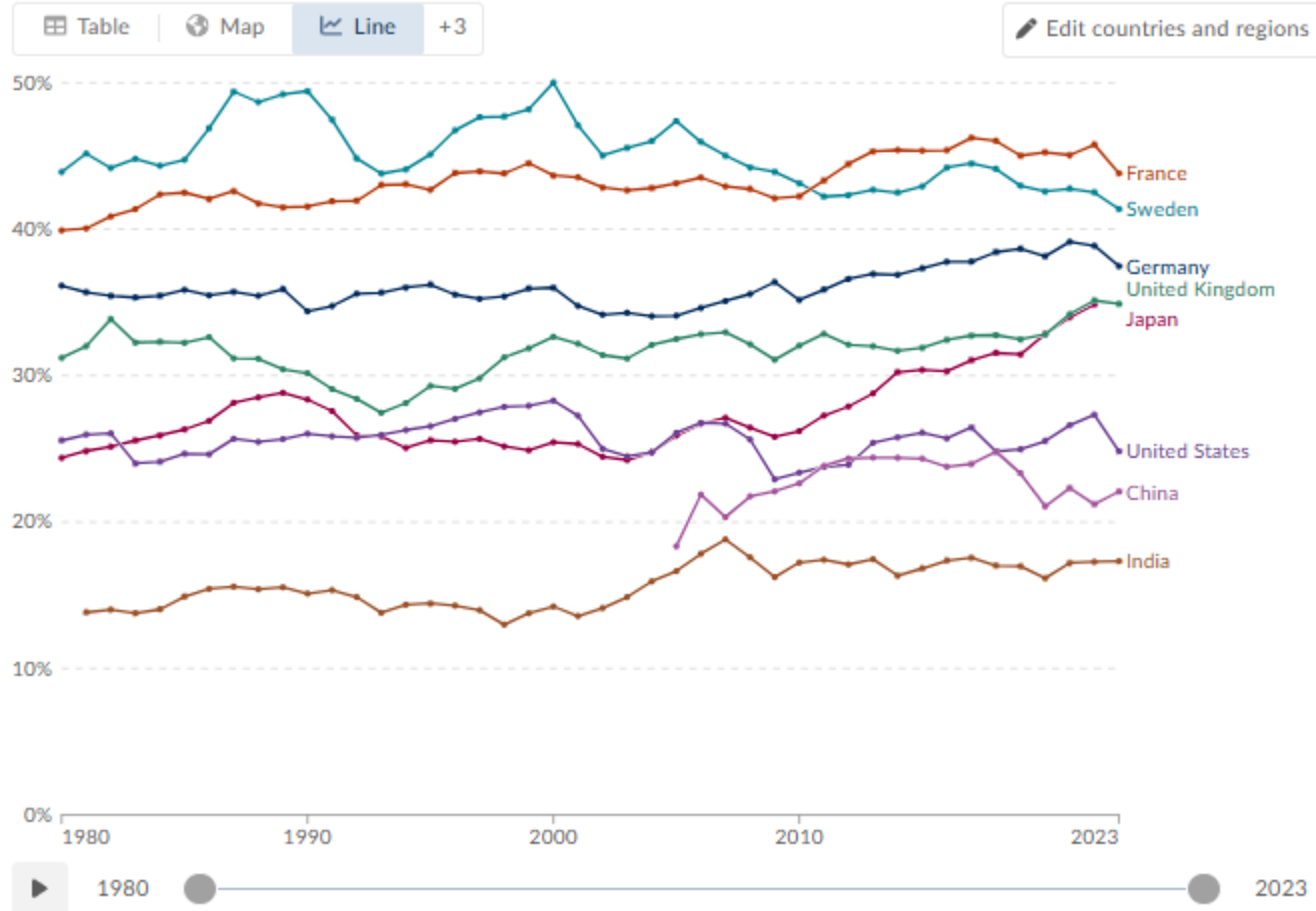
In the OECD classification the term "taxes" is confined to compulsory unrequited payments to general government. Taxes are unrequited in the sense that benefits provided by government to taxpayers are not normally in proportion to their payments.

We tax like a poor country (which limits how they can invest in their people, too)

Tax revenue as share of GDP

Direct and indirect taxes as well as social contributions included.

Our World
in Data



Data source: UNU-WIDER Government Revenue Dataset (2025) - [Learn more about this data](#)

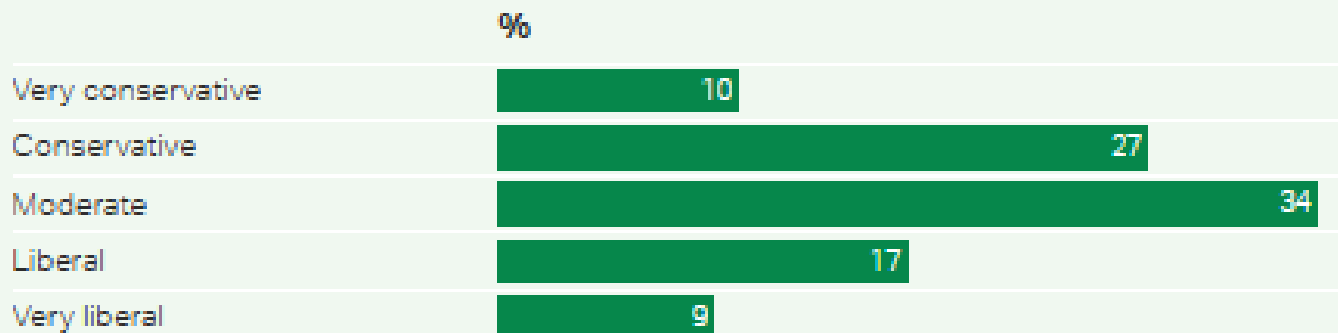
OurWorldinData.org/taxation | CC BY



Some good news: We still have lots of room for consensus

U.S. Political Ideology Identification in 2024

How would you describe your political views -- very conservative, conservative, moderate, liberal or very liberal?



Based on aggregated January to December 2024 data

[Get the data](#) • [Download image](#)

GALLUP

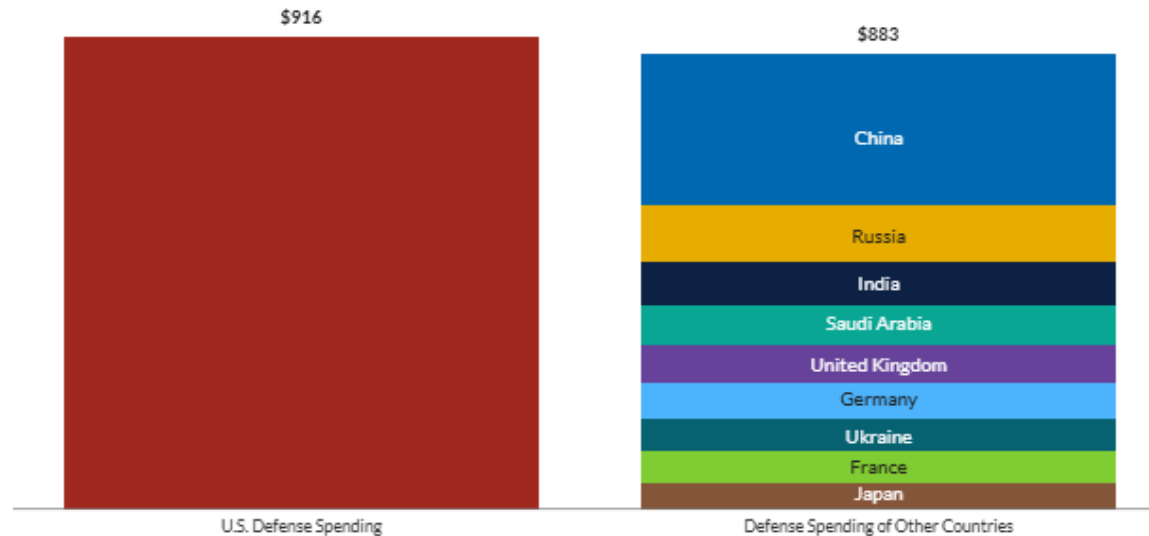
Republicans' and Democrats' Ideology Is Most Extreme in 30 Years

We are by far the world's dominant military

[Download Chart Pack \(PDF\)](#)

The United States spends more on defense than the next 9 countries combined

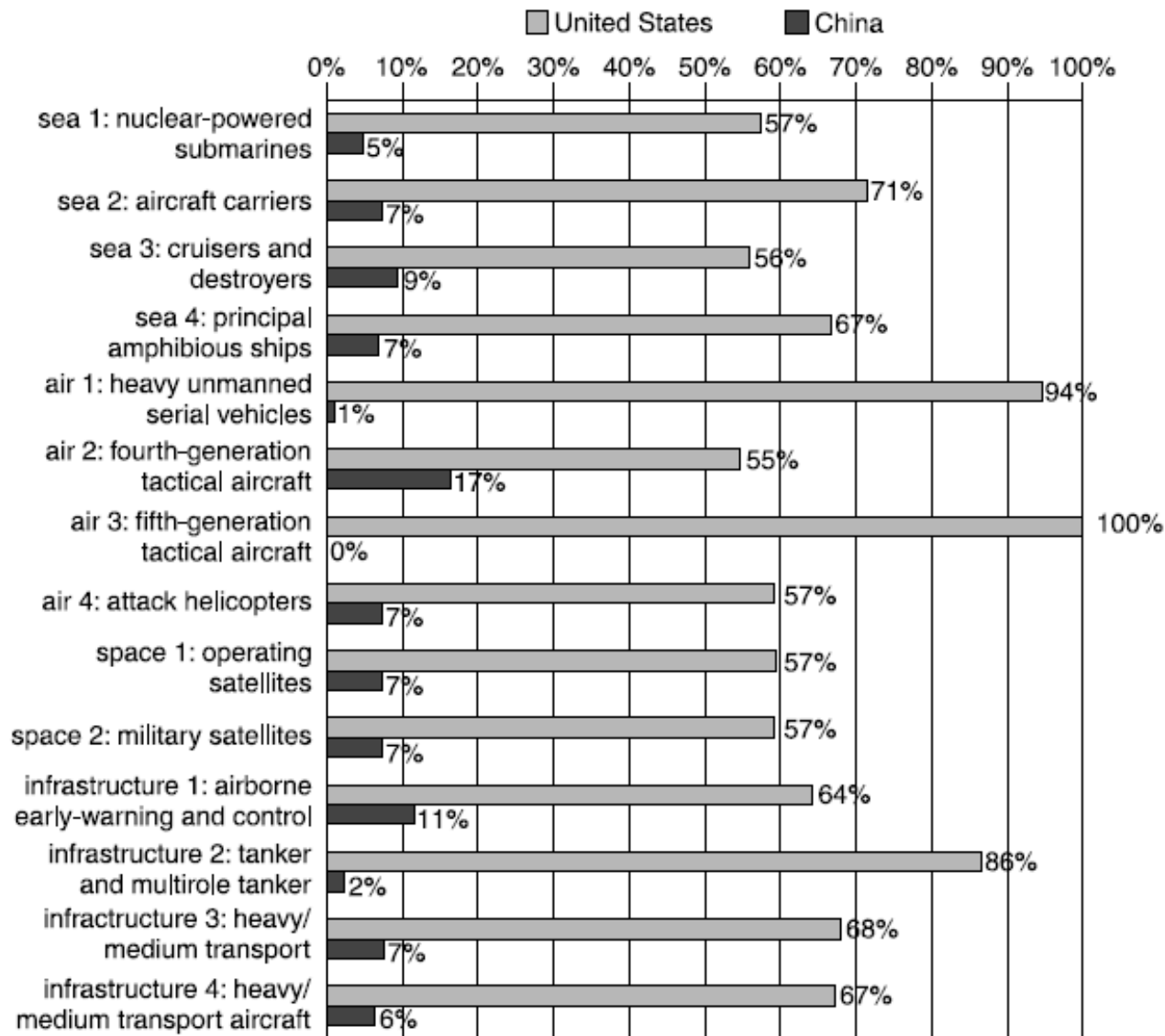
Defense Spending (Billions of \$)



Source: [Stockholm International Peace Research Institute](#) • [Embed](#) • [Download image](#)

Notes: Figures are in U.S. dollars converted from local currencies using market exchange rates. Data for the United States are for fiscal year 2023. Data for the other countries are for calendar year 2023. The source for this chart uses a definition of defense spending that is more broad than budget function 050 and defense discretionary spending.

Figure 2. Command of the Commons, the United States and China as Percentages of Six Major Powers



NOTE: Calculated from data in Stephen G. Brooks and William C. Wohlforth, "Moving Beyond Unipolarity? China's Rise and the Fate of America's Global Position," *International Security*, Vol. 40, No. 3 (Winter 2015/16), p. 20, fig. 1.

And military \$ is sustainable (it is about 15% of the US budget)

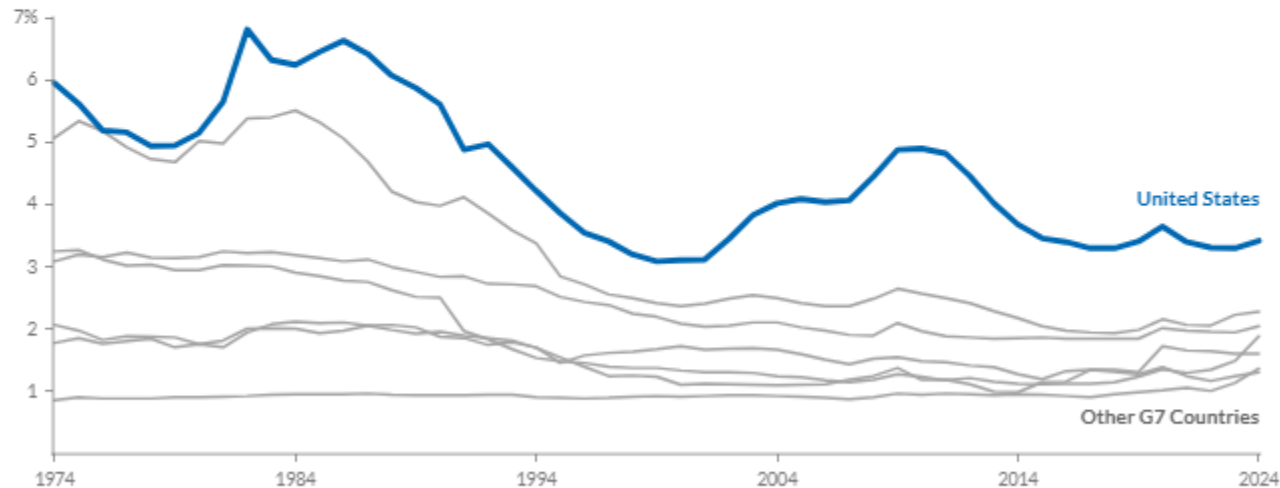
Source: [Stockholm International Peace Research Institute](#) • [Embed](#) • [Download image](#)

Notes: Figures are in U.S. dollars converted from local currencies using market exchange rates. Data for the United States are for fiscal year 2023. Data for the other countries are for calendar year 2023. The source for this chart uses a definition of defense spending that is more broad than budget function 050 and defense discretionary spending.



The U.S. has historically devoted a larger share of its economy to defense than other G7 countries

Defense Spending (% of GDP)



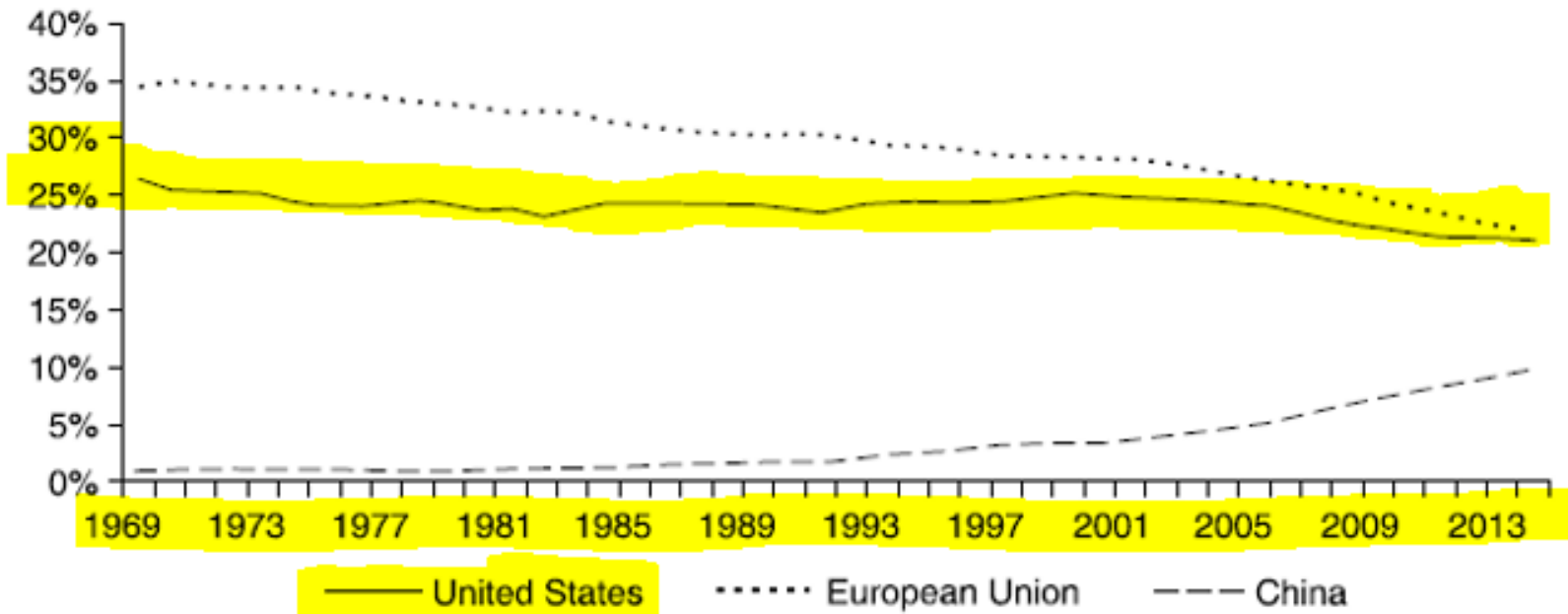
Source: [Stockholm International Peace Research Institute](#) • [Embed](#) • [Download image](#)

Notes: Data for the United States are for the fiscal year that ended on September 30 of the stated year. Data for all other countries are based on calendar years. The G7, or Group of Seven, is a forum for the countries that have the world's largest advanced economies. The source for this chart uses a definition of defense spending that is more broad than budget function 050 and defense discretionary spending.



MORE EVIDENCE THAT THE AMERICAN ECONOMY IS SUSTAINING HEGEMONY... US SHARE OF GLOBAL GDP OVER TIME

Figure 4. Real Historical Gross Domestic Product, 1969–2014



SOURCE: United States Department of Agriculture Economic Research Service, <http://www.ers.usda.gov/data-products/international-macroeconomic-data-set.aspx>.

Not much change over last 30 years

Since peaking at **40%** in 1960, the U.S. share of the world economy has been cut almost in half, despite a rising national GDP and being the birthplace of some of the biggest companies on the planet.

Year	Global GDP	U.S. GDP	U.S. Share of Global Economy
1960	\$1.37T	\$0.53T	40%
1965	\$1.97T	\$0.74T	38%
1970	\$2.96T	\$1.07T	36%
1975	\$5.92T	\$1.69T	28%
1980	\$11.23T	\$2.86T	25%
1985	\$12.79T	\$4.34T	34%
1990	\$22.63T	\$5.96T	26%
1995	\$30.89T	\$7.64T	25%
2000	\$33.62T	\$10.25T	30%
2005	\$47.53T	\$13.04T	28%
2010	\$66.13T	\$14.99T	23%
2015	\$75.22T	\$18.23T	24%
2019	\$87.80T	\$21.43T	24%

US R&D was still #1 until very recently

Table 2. Technological Inputs

	Gross Expenditure on R&D as a Share of GDP (%)	Gross Domestic Expenditures on R&D (PPP, in billions)	Cornell/INSEAD/WIPO Information & Communication Technologies 2014 Index Score (out of 100)	Number of Scientific and Engineering Doctoral Degrees Granted per Year	2010 Human Capital Level (in billions of constant 2005 U.S.\$)
United States	2.85	429.1	83.0	32,649	99,641
China	1.84	208.2	36.1	31,410	13,447
Japan	3.39	146.5	78.1	7,396	33,645
Germany	2.88	93.1	74.3	11,989	25,576
Russia	1.09	35.0	60.6	15,714	6,391
France	2.24	51.9	72.7	8,220	19,118
Britain	1.77	39.6	86.5	11,055	19,079
India	0.76	24.3	25.9	7,982	9,355
Brazil	1.16	25.3	51.6	5,470	8,968

SOURCES: National Science Board, *Science and Engineering Indicators, 2014* (Arlington, Va.: National Science Board, 2014), pp. 4–19; International Monetary Fund, *World Economic Outlook Database*, October 2013, <http://www.imf.org/external/pubs/ft/weo/2013/02/weodata/index.aspx>; Cornell University, INSEAD, and the World Intellectual Property Organization (WIPO), *The Global Innovation Index, 2014: The Human Factor in Innovation* (Fontainebleau, Ithaca, and Geneva: Cornell University, INSEAD, and WIPO, 2014), pp. 135–282; and United Nations University—International Human Dimensions Program and United Nations Environment Program, *Inclusive Wealth Report, 2014: Measuring Progress toward Sustainability* (Cambridge: Cambridge University Press, 2014).

NOTES: GDP stands for gross domestic product. PPP stands for purchasing power parity. Gross expenditure on research and development (R&D) is for 2011, except for Brazil, which is for 2010.

IS AMERICA AN EMPIRE?

You say “*empire*,” I say “*hegemony*”... what’s the difference? What makes an empire?:

Empires tend to be cyclical, but things speed up at the end

- Free riding issues: The main threat to empire is economic (Ferguson)
- The costs of empire and over-reach (share of GDP used to project power)
- Entitlement, debt, and too big to fail
- Niall Ferguson: Empires are “complex systems” like economic and environmental systems... Tipping points make it so that small changes can cause explosive changes very quickly. This means that perceptions are huge.
- Ferguson: The main trick is to manage inevitable decline

WHAT ARE THE BIGGEST INTERNAL THREATS TO US HEGEMONY?

- **US debt and investment**
 - Do the numbers at the front tell us that we'll have to change the trend or they will be changed for us? There is considerable debate over how much debt is too much.
 - On the other hand, US unfunded liabilities are huge! And what do we have to show for our investments? Data above and data below suggest we aren't investing in ourselves
 - How could increasing debt get us to a tipping point? Treasury bills, refinancing, and interest rates?: Our debt has been accrued with unusually cheap money.
- **Political threats to American soft power**
 - Political instability and chaos at home because govt. can't be all things to all people... people begin to be less supportive of projecting power.
 - Immigration policy (Immigrants = 25% of all US patents, 43% of all US STEM PhDs, >40% of US Nobel prizes)
 - Tariffs, free trade, and commitments to intl. institutions, including NATO: We are abandoning our sticky power (Niall Ferguson, in an unassigned article, foresaw US behavior in this area and likened it to the decline of the UK, which started with major tariffs when that hegemon thought it would be better to go it alone)
 - Our soft power is going away—What argument do we have to credibly say we are a model and a leader of the free world... both politically and economically? And Mazarr wrote about this before 2020
 - Why is our political system so weak at dealing with this? American exceptionalism, the polarized 2-party system, and veto points.
- **What else is going on with US power? (Michael Mazarr's article) Ability to project power credibly over the long run is declining -> more military \$ elsewhere, especially in "area denial" areas. And our debt and political system will make it harder to project power.**