Neo-Gramscian Analysis of US Hegemony Today

Emre Iseri, Ph.D. Candidate, School of Politics, International Relations and the Environment (SPIRE), Keele University, U.K.
© 2007

Introduction

This article assumes that the key concepts of Gramsci’s political analysis can serve as a useful guide to the changing dynamics of international relations with respect to the U.S. hegemonic role in international politics. Thus, a hegemon exercises power internationally by linking leadership to methods of coercion that are both intellectual and moral in character. However, a hegemon can maintain power only so long as it can sustain these links. In this analysis, we borrow Susan Strange’s notion of ‘structural power’ as a way to more fully employ Gramsci’s analysis as a tool to view the U.S. as a declining hegemonic power.

Our argument rests on two claims: that the U.S. has been a declining hegemon since the 1970s, and that this decline is a consequence of its loss of control over important Gramscian elements of coercive structural power. The evidence for these arguments can be found in the increasing inability of the U.S. to create and maintain a consensus on various international issues, and in its unilateral abandonment of the Bretton Woods international economic system and attempt to replace it with a regime underpinned by petro-dollars. Therefore, the rise of the Euro as an alternative currency has placed U.S. control over the international financial system in doubt, and the rise of China has created an alternative economic pole that challenges U.S. control over structural economics in the form of currency and trade. The collapse of the Soviet Union in the early 1990s likewise undermined the power of the U.S. to organize international politics around its preferred choices because it removed the coercive effects of the East-West contest for world influence.

Both of these circumstances have undermined U.S. indirect intellectual and moral coercive power, and have necessitated a resort to more direct coercion that can now be seen in the Iraq War. This represents an attempt by the U.S. to recover its hegemon position through a coercive foreign policy that privileges U.S. narrow interests in contravention of the broad collective national interests of other states. Thus, the resort to overt coercion had deprived the U.S. of its traditional Gramscian forms of soft power.

---

1 The author would like to thank Dr. Darrell Whitman for his edits and comments on the draft.
**Hegemony**

Gramsci defines hegemony as the ability of a social group to direct society both politically and morally. The hegemonic group acquires authority through the intellectual, moral, and cultural persuasion or consent of the governed population without applying violent, political or economic means of coercion. Nevertheless, coercion is always latently used in support of its hegemony. In order to become a hegemon, a group must unite the features of coercion and consent through the notion of a ‘dual perspective’:

The dual perspective can present itself on various levels from the most elementary to the most complex: But these can all theoretically be reduced to two fundamental levels, corresponding to the dual nature of Machiavelli’s Centaur – half-animal and half-human. They are the levels of force and of consent, authority and hegemony, violence and civilization, or the individual moment and the universal moment.²

Hence, Gramsci asserts that coercion or domination and consent or intellectual-moral leadership are the consensual aspects of a social group’s ‘dialectical strategy’ to hold supremacy in society. “The supremacy of a social group manifests itself in two ways, as ‘domination’ and as ‘intellectual and moral leadership’. A social group dominates antagonistic groups, which it tends to ‘liquidate’ or to subjugate perhaps even by armed force; it leads kindred and allied groups.”³

The social group, which intends to become the hegemon or the leader, can either use the means of coercion or the means of consent by persuading society to accept and assimilate the norms and values of its own prevailing world-view. However, coercion does not always mean domination, but may equally mean consent or the acceptance of the hegemon’s leadership. Further, the broader the consensus within a society in favor of the hegemon, the less it is necessary to use coercion.

“A social group can and indeed must already exercise ‘leadership’ before winning government power [this indeed is one of the principal conditions for winning such power]; it subsequently becomes dominant when it exercises power, but even if it holds it firmly in its grasp it must continue to ‘lead’ as well.”⁴

The hegemon expresses its capacity to lead in two ways. It first responds to the interests of other social groups that are based on their economic position - ‘mode of production’ in Gramscian

---

³ Gramsci: 57.
⁴ Gramsci: 254.
This takes the hegemon beyond its own narrow economic interests and reshapes the mode of production into a positive-sum rather than a zero-sum game. This lets other social groups pursue their separate interests. Then, the hegemonic group responds and helps to shape the ideal aspirations that emerge in each unique historical, economic, and cultural context. Through a critical self-consciousness, the hegemonic group sees beyond its own narrow, economic-corporate interests, and links itself to other social groups that have been involved in society’s key political struggles. This enables the hegemon to make alliances and expand its hegemony over the general population. This is the process that Gramsci defines as the establishment of a ‘historical economic-political bloc’, which forms the basis of consent to a certain hegemonic order and produces and reproduces the hegemony of the supreme social group through a nexus of institutions, social relations, and ideas.

**Applying Gramsci’s Hegemony to International Relations**

In his essay, “Gramsci, Hegemony and International Relations”, Robert Cox employs Gramscian concepts to interrogate the interplay between ideas, material capabilities and institutionalization in international relations. He begins by defining hegemony as “an order within a world economy with a dominant mode of production which penetrates into all countries and links into other subordinate modes of production”. Cox then identifies a long-term interaction between coercion and consent in relations of power among nations, asserting that consent is more dominant than coercion under conditions of hegemony. He argues that this occurs because the hegemon interconnects its interests with those of other states as a hegemonic relationship develops, and employs consent as a means to achieve its larger interests in dominating other governments and gaining a leadership role.

Achieving domination requires that the hegemon has capabilities sufficient to maintain its position of power, which we define according to Susan Strange’s concept as a separation of ‘relational power’ from ‘structural power’ wherein the hegemon, nation A, uses ‘relational power’ to force a subordinate government, nation B, to act in a manner preferred by the hegemon, or suffer the consequences. According to Strange, this ‘structural power’ further designs subordinate structures that create systems of ‘relational power’ within which other states and their societies operate. Or, in her words, “structural power, in short, confers the power to decide how things shall be done, the power to shape frameworks within which states relate to each other, relate to people, or relate to corporate enterprises.” In this case, she is not referring to formal political

---


institutions, or even negotiated agreements, but to “customs, usages, and modes of operation.” that are more widely adopted and appear within societies generally.⁷

This arrangement can be seen, for example, the how the U.S. employed ‘relational power’ created by ‘structural power’ to obstruct Turkey’s involvement in Cyprus in 1964. Employing a claim that it was preventing ‘human infringements’, the U.S. was able to disrupt the Turkish government’s policies not through systems of formal ‘structural power’ between the U.S. and Turkish government, but through the ‘relational power’ that appeared as a consequence of U.S. structural power that infected large sectors of Turkish society.

Susan Strange further develops her thesis by identifying how ‘structural power’ is actually composed and how it produces ‘relational power’, arguing that if you control both of these sources of power, you can achieve hegemonic power over the whole of other societies. She elaborates by arguing that there are four pillars in the primary structure upon which the global political economy rests - security, knowledge, production and credit/finance, and that “who or what provides for these needs in a society enjoys structural power through capacity to determine the terms on which those needs are satisfied and to whom they are made available.”⁸ In this case, security, which is a basic human need, becomes inter-linked with other social needs to create a web of relationships around political economy, which itself is a system of production and finance. These primary structures then control the development of secondary structures, such as a transport, trade, welfare, and energy. Energy, which plays a particularly central role in modern political economy, demonstrates how these inter-links work.

The modern political economy has become dependent on oil because its unique physical characteristics are essential to the modern economy’s systems of production. Its superiority in weight, volume, and portability has made it the fuel of choice after the invention and continuous improvement of Large Independent Mobile Machines (LIMMs), such as cars and airplanes. These LIMMs have shaped our lives in many ways by providing for cheap and accessible systems of transportation and production. This, in turn has made oil an essential fuel and a strategic concern, which has now advanced oil to the top of the world’s trading markets and linked it to a wide array of national security concerns. However, control of oil is not merely a matter of supply, but a question of who provides it at what price, with an affordable price and easy access becoming the sine qua non for the functioning of international economics. In this way, oil as a commodity

---

closely connected to systems of production, credit and finance has become entangled with national and personal security issues.

As a state gains structural power, it has the luxury to act through collective associations by arguing that it is serving ‘common sense’ or general interests. Once this is accepted, it no longer exercises direct coercive power, but indirectly by persuasion exercised through its relational power. Thus, while subordinate states appear to act by consent they, in fact, are responding to the latent power of the hegemon to act through sub-structural relationships. Most recently, Joseph Nye has identified this form as ‘soft power’, or “the ability to set the political agenda in a way that shapes preferences of others . . . Similarly, political leaders and thinkers, such as Antonio Gramsci, have long understood the power that comes from setting the agenda and determining the framework of a debate.”

*Interpreting U.S. Power – the High Hegemony Phase*

As Simon Bromley observes, “During the Cold War, two different objectives of the United States – first making the world safe for capitalism, and second, ensuring its hegemony with the capitalist world – reinforced one another.” This high hegemony phase of U.S. power thus was possible because Western European governments and Japan shared a common perception that the Soviet Union and ‘evil’ communism presented a mutual threat that could be contained only with U.S. leadership. Or, as David Harvey argues,

> The Cold War provided the U.S. with a glorious opportunity . . . While we know enough about decision-making in the foreign policy establishment of the Roosevelt-Truman years and since to conclude that the U.S. always puts its own interests first, sufficient benefits flowed to the propertied class in enough countries to make U.S. claims to be acting in the universal (read propertied) interest credible and to keep subaltern groups (and client states) gratefully in line.

In order to facilitate trade and economic development in the capitalist block, U.S. policy-making elites created an international economic framework called the Bretton Woods agreement. This agreement set up an international financial system based on a gold standard that obligated its members to link their national currencies to a value for gold that was defined by the U.S. dollar. Along with institutions such as the World Bank (WB) and the International Monetary Fund (IMF), this agreement’s fundamental objective was to coordinate economic growth between core-capitalist countries and to bring an open, capitalist-style, economic system to all countries outside of the Socialist Block. The North Atlantic Treaty Organization assumed a place in this scheme,

---

based on its ability to secure the conditions for this capitalist block to flourish. At this stage, U.S. policy was primarily ‘institutionalist’, rather than ‘multilateralist’, in creating the post-war international order (PWIO). As G.J. Ikenberry notes,

While the USA took the lead in building multilateral institutions, like NATO and the Bretton Woods institutions, the injunction to behave multilaterally always applied more to the junior partners in these organizations than to the hegemon itself. Indeed, a hallmark of U.S. hegemony in this period was the development of institutions binding on others, but in which the hegemony was effectively only ever self-binding.12

Therefore, the Bretton Woods systems represented what Ikenberry calls an ‘institutional bargain’, and through it the “U.S. provided economic and military protection for propertied classes or political/military elites wherever they happened to be. In return, these propertied classes and elites typically centered on a pro-American politics in whatever country they happened to be,”13 and then became agents of a pro-American ‘Passive Revolution’ in their own countries. Through this system, the U.S. not only contained the Socialist block, but also produced a ‘consensus culture’ within the capitalist block and a hegemonic role in the Western world, based on international multilateral institutions. Thus, “it was the USA’s ability to create an institutionalized, multilateral order to underpin its emerging hegemonic position that gave it a critical degree of legitimacy, and which enhanced the durability of the order of which it was part.”14 In this way, the U.S. won the ‘hearts and minds’ of most people in the non-communist world and its role as a moral and intellectual leader. Eventually, however, this tidy arrangement was shattered, first in the 1970s by the ‘oil shocks’ and later following 9/11, when U.S. policymakers found themselves trapped in institutional constraints.

**Interpreting U.S. Power - Hegemony in Decline**

As John Agnew observes, “It is fair to say that the U.S. geopolitical position since World War II has been based largely on hegemony secured through multilateral and market mechanisms . . . This position has weakened considerably since the 1970s.”15 Before we examine the crisis of U.S. hegemony in the 1970s, we first need to take a closer look at the changing economic environment of the mid-1960s, and in particular the emergence of Western Europe and Japan as economic rivals to the U.S. and the economic costs of the U.S. war in Vietnam. In the first case,

---

13 Harvey: 52.
the post-war recovery of Europe and Japan led to a decline in U.S. dominance of world trade, and in the second case the war depleted the U.S. of a substantial part of its gold reserves leading to a decline in the value of the dollar.

Historically, the first break came from France in 1965 when the French President, Charles De Gaulle, attempted to convert dollar reserves in the French Central Bank for gold. This move highlighted the deterioration in the actual value of the dollar and an emerging crisis in international finance. Following the French lead, other central banks began to exchange dollars for gold, leading to an international financial crisis that culminated in the U.S. unilateral withdrawal from the Bretton Woods system and its gold standard on August 15, 1971. This relieved the U.S. of the burden of guaranteeing the value of gold, but also set the world’s financial system adrift in a manner that greatly weakened U.S. hegemonic control. Under this new ‘Dollar-Wall Street regime’, the U.S. was able to set the value of the dollar according to its own preferences, but in exchange, it lost its ability to persuasively claim to be protecting the general interests of other states in its management of the international economy.

The second break came in the form of the oil crisis in the early 1970s, when the price of oil quadrupled almost overnight. This, however, was much more of a crisis for Europe and Japan, as the U.S. ambassador explained to the Saudi Arabian government at the time. Noting the disparate effects of the oil price increase, he offered that it was “a crippling blow to the Japanese and European economies, both overwhelmingly dependent on Middle East oil, rather than a decisive transformation of international financial affairs.” This put the emphasis squarely on U.S. competition with Europe and Japan, rather than on any general affect on world economics. However, the effects of the 1973 oil crisis were far more pervasive than merely aiding the U.S. competitive economic position, because it effectively created a new system of support for the U.S. dollar, which later came to be known as the petro-dollar system: “The crisis represented a test of the international financial system, which was eventually resolved through an agreement that stripped OPEC of any political pretence and rendered it subservient to U.S. economic and political interests.” The 1975 agreement, made in this case between the U.S. and Saudi Arabia, committed OPEC to pricing its oil exports in dollars, which in turn created a new and powerful dollar-denominated market for oil trading – hence, petro-dollars. As Professor Gökay elaborates:

http://www.time.com/time/magazine/article/0,9171-1.00.html
Thereafter, even when oil prices might increase, the additional revenue would be
denominated in U.S. dollars, which all importing countries would be required to use
for this purpose. This would create a dependable demand for U.S. currency
regardless of other economic factors and would act as an interest-free loan to the
United States when it was repatriated as investments in dollar securities, such as
U.S. Treasury notes, U.S. stock and mutual funds, and U.S. public and corporate
bonds.\textsuperscript{20}

The global demand for dollars that followed the 1975 U.S. - OPEC agreement ensured that
the U.S. not only would keep her currency strong in international markets, but also held the price
of imports to the U.S. down, which then supported the U.S. domestic economy. This enabled the
U.S. government to borrow massive amounts of capital, and sustain its trade deficit, without fear
of another dollar crisis, such as the one in 1971. Thereafter, petro-dollars became one of the
pillars of U.S. dominance in international finance, but without any necessary consent by other
states that lived under U.S. hegemonic power. This marked a fundamental shift in the way that
U.S. hegemony was constructed and presaged additional shifts away from a consensual form of
hegemonic internationalism through the exercise of institutional power, particularly with regard to
the use of international finance.\textsuperscript{21}

It was not an accident, therefore, that the U.S. changed the practice of how balance-of-
payments financing would be distributed after the emergence of the petro-dollar. Whereas the
process previously had been done by political agreement through the IMF, the power of the IMF
had declined along with that of the U.S., which then required that such processes be revised to
reflect this new reality. What emerged in its place was a new ‘script’ of norms concerning how
these financial transactions would occur through markets rather than by political agreement.\textsuperscript{22}
Thus, lacking the power to reconstruct the IMF as a multilateral institution, the U.S. opted for a
market mechanism, which could be controlled by U.S.-based private financial institutions. Thus,
as Eric Helleiner concluded, “the basis of American hegemony was being shifted from one direct
power over other states to a more market-based or ‘structural’ form of power.”\textsuperscript{23}

\textit{Interpreting U.S. Power – Regionalism in Europe and Asia}

The decline of U.S. hegemonic power since the 1970s, exercised through multilateral
institutions, has been accompanied by the parallel rise of regionalism in Europe and Asia, based

\textsuperscript{20} Fouskas and Gokay: 18.
\textsuperscript{21} As David Spiro put it, “international capital flows – which are the basic stuff of international finance – have
become central to the stability, smooth functioning, and the grown of the international political economy.”
David Spiro, \textit{The Hidden Hand of American Hegemony: Petrodollar Recycling and International Markets.}
\textsuperscript{22} Spiro: 153-154.
on the desire of their elites for a more co-equal status with the U.S.\textsuperscript{24} These aspirations have been encouraged, at least in part, by changes in international relations, including a decline for the U.S. in providing security since the collapse of the Soviet Union. Consequently, new institutional structures are developing that challenge U.S. domination in economic, political, and social affairs, such as the establishment of the European Central Bank and the Euro as a potential rival to U.S. economic and financial control. As Robert Cox observes, In Europe, the adoption of the Euro, the establishment of the European Central Bank, and the prospect of further integration of European financial markets are \textit{de facto} steps towards independence from the rule of the dollar and towards the consolidation of a plural world in finance.\textsuperscript{25}

The story is similar in East Asia, where suspicion of U.S. intentions has fueled resentment among Asian great powers, which came to light during the 1997-1998 crisis in global financial markets. On the eve of that crisis, the U.S. rejected Japan’s initiative for a regional solution as the Asian situation continued to deteriorate. Rather, Western companies took advantage of the crisis as an opportunity to buy up Asian assets at record low prices, with Asian populations left to fend for themselves.\textsuperscript{26} According to Cox, “the experience of the Asian financial crisis has encouraged a movement towards a regional economy in Asia with built-in protection against dependence on U.S. financial dominance. China has now displaced Japan as the principal U.S. creditor and has become the new focus of Asian economic regionalism.”\textsuperscript{27} Hence, it would be reasonable to expect that Asia could develop greater financial and economic independence by establishing ever-stronger regional institutions.

The overall picture is one where both Europe and Asia are move away from dependence on the U.S. management of international economics and toward their own forms of regional integration. As Beeson and Higgot argue, “especially the Europeans and, to a lesser extent the Asian, seem intent on creating an institutional order less dependent on American power, and more dependent on rules and principles in which the U.S. is granted less prerogative and license than in the past.”\textsuperscript{28}

\textsuperscript{24} As Peter Gowan notes, “the business and political elites of Western Europe have been filled with hope that ‘Europe’ can revive again, after almost half a century of subordination.” “Pax Europaea” in (2005) \textit{New Left Review}, 34: 141.


\textsuperscript{27} Cox: 313.

\textsuperscript{28} Beeson and Higgott: 1183.
Interpreting U.S. Power – The Rise of the Euro and Rising Asia

The twenty-first century is witnessing significant and perhaps unparalleled changes in world politics and economics that are creating a new world order. It is yet too early to say with certainty how these changes will change U.S. relationships with Europe and Asia, but it is not too early to assess where they are leading. The case of Europe will turn substantially on the future of the Euro, and as the Euro continues to develop strength, which it appears to be able to sustain, it is likely that there will be an intensified struggle between the U.S. and Europe over global trade and finance. This is unlikely to lead to an armed conflict, as neither side would want to expose their advanced industrial and technological production to that destruction. Nevertheless, this competition is likely to lead to a further deterioration in their cooperation in international affairs.

At the same time, Europe and the U.S. do not stand alone in this new order, but must share it with a rising Asia. In this case, contests for control of international trade and finance will be three-sided, with China and India moving toward parity with the U.S. and Europe over the next twenty years. Thus, according to Foresight 2020, a study conducted by the Economist Intelligence Unit (EIU), “propelled by fast growth in China and India, Asia will increase its slice of world GDP from 35% in 2005 to 43% in 2020.”29 With this in mind, the U.S. sees China as a potential strategic rival, with that likelihood spelled out by now U.S. Secretary of State, Condolezza Rice in Foreign Affairs shortly before the 2000 election. According to Rice, “China is not a ‘status-quo’ power, but one that would like to alter Asia’s balance of power in its favor. That alone makes it a strategic competitor.”30

The development of the Euro and the emergence of China as a strategic competitor in international economic affairs have and will continue to diminish U.S. hegemonic ‘structural power’. This leaves the U.S. with few options, other than to redefine the nature of its hegemonic power as coercive to prevent or delay its loss of power in the world. Mark Rupert came to this conclusion in finding that “While the market-oriented liberal vision continues to animate U.S. world-order policy, it is no longer represented by chief U.S. policymakers as presumptively nature or spontaneous - that is voluntary, cooperative and multilateral, but is now portrayed more explicitly as the product of the global assertion of unilateral U.S. power, especially military force.”31 In the post 9/11 period, it has become particularly apparent that the balance of coercion/consent in U.S. hegemony has shifted decidedly toward coercion.

Interpreting U.S. Power – U.S. Hegemony in the Post-9/11 Period

The Bush Doctrine, which was formally outlined in 2002 in The National Security Strategy of the United States of America, states that the U.S. would maintain its supremacy in international affairs through a post-Soviet form of imperialism, and evidence for imperial character can be found in the U.S. unilateral invasion of Iraq in 2003, which has been summarized as:

The invasion of Iraq, although important in itself, is even more noteworthy as a manifestation of the Bush Doctrine. In a sharp break from the President’s pre-September 11 view that saw America’s leadership, and especially its use of force, restricted to defending narrow and traditional vital interests, he enunciated a far-reaching program that calls for something very much like and empire. Evidence from the period before and after the invasion strongly support this conclusion.

The U.S. prepared its war plans on Iraq without United Nations Security Council approval and without the support of most of its Cold-War allies, except for Britain, Portugal, Spain, Poland, and a few others. The core EU powers – Germany and France, together with Russia and China declared their opposition to the U.S. led war based not on idealism, but on self-interest. As William Clark argues, “One of the reasons Germany and France opposed the war in Iraq was that they knew Saddam Hussein’s switch to the euro as Iraq’s oil transaction currency enhance the movement worldwide to the Euro as a major currency reserve.” Russia’s Lukoil and two Russian national companies had contracts with the Hussein government to develop Iraq’s West Qurna oil fields, and France held rights to exploit other huge Iraqi oil resources. China’s opposition was similarly self-interested, because Iraq offered China rights to oil exploration that would be extinguished by the U.S. invasion. All of these powers, therefore, were acting not in broad mutual interests but to protect narrow national interests.

This movement toward self-interested foreign policies continued after the invasion, during the short-lived effort at Iraq reconstruction. Two months after the conclusion of the initial military assault, the U.S. transformed the UN’s Oil-for-Food program from one that operated through Iraqi Euro accounts into one that operated through dollar accounts. This effectively ended Iraq’s brief experience in trading oil in Euros and, coupled with the U.S. insistence that only members of the ‘coalition’ would be eligible for reconstruction contracts, it meant that effective control over Iraq’s economy was once again in U.S. hands. Adding insult to injury, the U.S. also placed Anglo-American oil companies at the top of the list of those eligible for high-return oil extraction contracts, even as the U.S. was begging for more military assistance from those excluded.

Tensions in the region that are publicly made to seem as only security matters are in fact also economic. In “Déjà vu – The Search for Weapons of Mass Destruction This Time in Iran”, Bulent Gökay notes that the justification for U.S. pressure to condemn Iran for alleged weapons of mass destruction closely follows those given in the days before the invasion of Iraq, and that neither effort was supported by evidence. The real motive, according to Gokay is economic. As he notes, “Iran is about to commit a far greater offence than Saddam Hussein’s conversion to the Euro for Iraq’s oil exports in 2000. The plan is not just to sell oil for Euros, but also to create an exchange market for all interested parties, oil producers as well as those customers, to trade oil for Euros.”

Taken together, Iran’s support for organizations that oppose U.S. policies and practices, such as Hizbullah, the national oil development agenda, and the dialogue between Russia, China, and Iran directed at excluding the U.S. from the region, Iran’s initiative to create a Euro-based trading market for oil may be the last straw for U.S. policymaking elites. Yet, it is unclear whether U.S. diplomatic and military pressure can reverse the situation, or whether the current U.S. strategy in Iraq will succeed in protecting U.S. interests. The ambiguities and risks in Iraq pose a great dilemma for the U.S., which Paul Starr summarizes as:

When the dust clears over Baghdad, we will likely find ourselves no safer from terrorism than before, but our alliances will be battered and our true enemies will be more convinced than ever that what they need to prevent themselves from becoming another Iraq is a real nuclear arsenal. If this war is easy, it may be no indication of what’s in store in the future.

From the perspective of the Gramscian understanding of hegemony, “a world order requires the existence of force in the background to sustain an institutional process that states and people generally will find acceptable, or will at least acquiesce to. It also requires a commitment to seek consensus on the part of all major powers.” Clearly, the U.S. government does not bother too much about seeking a global consensus, and it pursues foreign policy with an imperial flair. Thus, it isn’t possible for the U.S. to persuade other states and their populations that it is playing the role of an intellectual and more leader, but contrarily is seen to be only interested in its own war on terror.

---

36 Cox: 314.
**Conclusion**

This analysis has applied the basic Gramscian notion of hegemony to the U.S. as a declining hegemonic power by first clarifying the concept itself, and then by comparing it to Susan Strange’s concept of ‘structural power.’ This combination has been applied to the post-World War Two period of American power to argue that it has shifted from a hegemonic construction emphasizing multilateral institutionalism, to one based purely on national self-interest, by undermining and abolishing the primary sources of its institutional power, found in the Bretton Woods agreements and the monetary and trade system that it authored. I argue that this rejection stemmed from declining U.S. relative economic power, which has been offset first by the resurrection of the European and Japanese economies, and then by the consolidation of the Chinese and Indian economies as alternative centers of economic power. These developments have contributed to the decline of the U.S. as a hegemonic power by displacing its claims of intellectual and moral authority and requiring that the U.S. increasingly relies on pure coercive power. In the post 9/11 environment, the U.S. has fewer and fewer choices, which will make it difficult to reverse its decline.

**Bibliography**


Starr, Paul, “The Easy Way”, in (2003), *The American Prospect*  
http://www.prospect.org/web/page.ww?section=root&name=ViewPrint&articleID=6/710


http://www.time.com/time/magazine/article/0,9171-1.00.html