Measuring U.S. Decline

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Abstract
This article presents concrete, largely quantitative data that generally characterize the U.S.'s power and wellbeing in the primary spheres of state performance. The U.S. is found to be economically stagnant (and thus declining relative to its competitors), demographically declining (and thus stagnant relative to its competitors), and politically almost collapsing. The causes of this downward trajectory, insofar as they can be identified, are found to be deep-rooted and likely to persist for the foreseeable future.

Keywords: U.S., decline, economics, debt, demographics, real production, government debt, politics, polarization.

The dominant narrative of the Russian government—and within Russian analysis—alleges fading U.S. hegemony, and 'Western' decline relative to other centers of power. However, one sometimes detects an element of uncertainty in these claims, often in the form of distinctions between a truly stagnant and decadent EU versus an ill-governed yet still vital U.S.

Indeed, from the outside, it can seem that everything that really matters ends up going right for the U.S. It sparked the 2007-2008 financial crisis, yet (unlike many European states) recovered rather swiftly. The U.S.'s wars in the Mideast ended with decidedly mixed results, yet the U.S. remains the world's dominant military power. The U.S.'s political system is generally accepted as fairly dysfunctional, yet the country seems to nevertheless continue developing. Unlike Europe, Russia, and China, the U.S. has a growing and fairly balanced demographic pyramid. Despite the U.S.'s persistent budgetary and trade deficits, the Dollar and U.S. Treasury bonds remain in-demand the world over. Now, as much as outside observers might resent Trump, they have to acknowledge that he is decisively wielding the U.S.'s still-unrivaled power.

This article seeks to correct such misconceptions. It considers the two foundations of state power—demographics and economics—as well as the political system, which determines a state's ability to preserve and grow those foundations.[1] The article finds that: (1) Contrary to top-level and nominal statistics, the U.S. is economically stagnant and, in some ways, rapidly declining. (2) Contrary to perceptions that are 20 years out of date, the U.S.'s demographic situation is no better than Western Europe's or Russia's, and is likely to worsen further still. (3) The U.S.'s political system is catastrophically broken due to certain foundational and probably unchangeable characteristics, and is thus probably incapable of fixing either the economic or demographic problems.

Given the constraints of this article, all three sections are unavoidably limited in depth. Furthermore, the political sphere does

[1] Military strength is one of the most prominent and important ***manifestations*** of state power. However, it is not the only such manifestation; others include a state's domestic stability, its economic self-sufficiency, and its ability to conduct economic coercion. Moreover, military strength is impossible to quantify: even if information is fully available, the relative military utility of different things within the same category (e.g., a T-90 versus a Leopard tank) is unclear, and the relative utility of different categories (e.g., tanks versus drones) is completely unknown, especially absent a full-scale war. Accordingly, this article does not even attempt to measure the U.S.'s military strength. (Recent events in Afghanistan and Iran have emphasized that it is certainly not concomitant to military spending.) Rather, this study confines itself to analyzing demographics and economics (and the political system that manages them), which are the foundations for military strength and all other manifestations of state power.

not lend itself as easily to quantitative summary, and thus the evidence presented in Section 3 is more scattered and less comprehensive than would be ideal. Nevertheless, this article should at least provide a stable basis for overall perceptions of the U.S., and from which more detailed analyses can depart.

1. ECONOMIC DECLINE

First, the U.S.'s recent and future economic trajectory is much worse than indicated by popular but superficial indicators. Real production and prosperity are essentially stagnant, and the government will enter a fiscal crisis within the next 30 years.

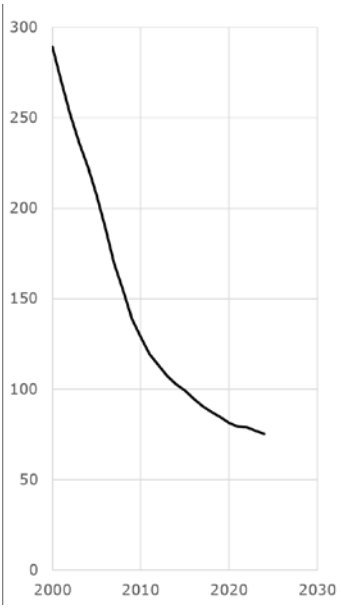
1.1. Real Production

A country's general power is almost always measured as its Gross Domestic Product. And in that respect, the U.S. appears quite successful over the last several decades, on an absolute and even per capita basis.

With that said, even by this metric, the U.S.'s GDP (at purchasing power parity[2]) has been falling rapidly compared to China's, and is now significantly smaller than China's:

[2] For purposes of gauging countries' general power—and especially military power—purchasing power parity (PPP) is required. Initially, a country's GDP is measured in its own currency. In order to compare it to other countries' GDPs, it must be converted into some common unit. One option is to convert it into USD at the market exchange rate that prevailed at the time of analysis. But there is no a priori reason to select this option, which essentially represents the amount of dollars that a country could raise if it sold its entire output (including the government and military…) to foreigners (and this somehow did not itself affect the exchange rate). There are few use-cases for such a strange metric; the main one being estimation of an economy's short-term ability to purchase things on the world market. (And even this is questionable, since without PPP it will be difficult to tell how prosperous a country is and thus how much spare cash it has to spend.) Whereas if one wants the ***actual value*** of a country's output (and thus its latent military-industrial capacity)—which can also be conceptualized as the product of multiplying its population by its development level (GDP per capita)—then PPP is the correct approach. It is, by definition, the adjustment of exchange rates so that they better reflect actual value.

The U.S.'s real GDP as percent of China's



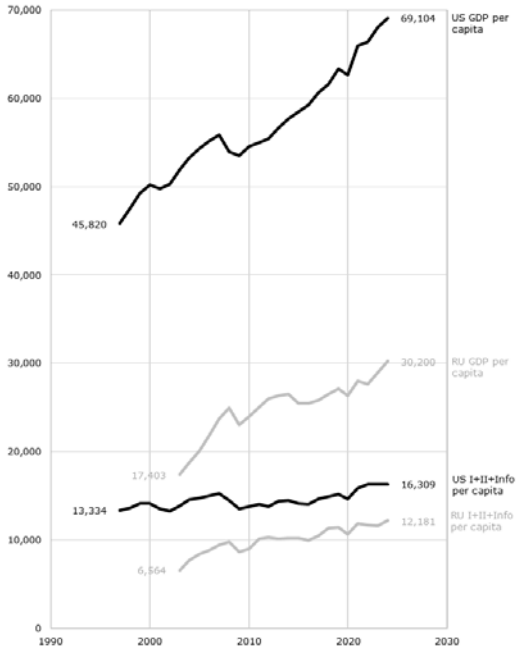
Moreover, many euphemistically termed 'postindustrial' economies feature large sectors that may be useful, but do not themselves provide end-use goods or services of inherent value, and instead exist for the purpose of ***facilitating*** the production, distribution, and/or ownership of resources, goods, and/or services. Such 'auxiliary' sectors include trade, finance, insurance, real estate, legal services, accounting, and consulting.

Conversely, the Primary Macro-Sector (agriculture), the Secondary Macro-Sector (industry), and the Information & Communications Sector—collectively *I+II+Info*—can be considered the foundation of an economy (for instance, the Manufacturing Sector produces the equipment and medications needed by the Healthcare Services Sector), and are particularly important for national power/security (agriculture for food security, mining for energy security, manufacturing for the military, information for reliable communications and digital sovereignty and cybersecurity, etc.).

And if the foundational *I+II+Info* aggregate is considered independently, the superficially healthy U.S. economy turns out to rest atop a quite narrow and stagnant foundation. *I+II+Info* is only 24% of GDP. While every country's *I+II+Info* aggregate will be smaller

than its overall GDP, the discrepancy in the U.S.'s case is particularly large. Russia's *I+II+Info*, for instance, is 40% of GDP. As a result, while U.S. *GDP per capita* is 229% of Russia's, U.S. *I+II+Info per capita* is only 134% of Russia's. Furthermore, U.S. *I+II+Info per capita* is nearly stagnant, growing by only 22% in 1997-2024 (an annual average of 0.75%), compared to 51% for GDP per capita (1.55% annually).

GDP per capita and I+II+Info value-added per capita of the U.S. (and of Russia (data not including the Reincorporated Territories) for comparison), in constant 2017 USD[3]



[3] U.S. GDP (constant 2017 USD) from: Real Gross Domestic Product. FRED, 13 March 2026, fred.stlouisfed.org/series/GDPC1#

Russian GDP (constant 2017 USD) calculated using:

annual growth rates given in tabs 7 and 8 of: Индексы физического объема валового внутреннего продукта [GDP Physical Volume Indices]. *Rosstat*, 9 April 2025. https://www.rosstat.gov.ru/storage/mediabank/VVP_god_s1995-2024.xlsx

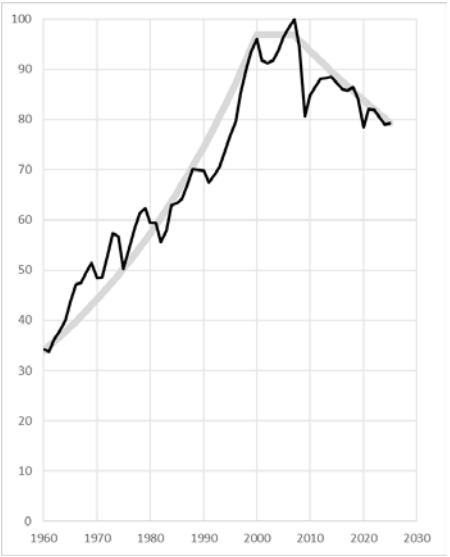
GDP in 2017 USD at PPP, given in: ВВП России по паритету покупательной способности [Russia's GDP at PPP]. *Rosstat*, 1 November 2024. rosstat.gov.ru/storage/mediabank/Ocenka_VVP_01112024.xlsx

U.S. I+II+Info value-added as % GDP from: Value Added by Industry as a Percentage of GrossDomestic Product. *Bureau of Economic Analysis*, 22 January 2026.

Russian I+II+Info value-added as % GDP, 2003-2010 (adjusted downward so that value for 2011 equals that given in below (more recent) source) from: Структура валовой добавленной стоимости по отраслям экономики [The Structure of Gross Value Added by Economic Sector]. Rosstat. ssl.rosstat.gov.ru/storage/mediabank/str3.xls

The situation is even worse for manufacturing in particular. Its per capita output (not just value-added) grew at an overall annual rate of 2.65% in 1960-2000, but then stagnated in 2001-2007, and has been declining by 1.1% annually since 2008.

U.S. manufacturing output per capita, 2007 level = 100,[4] actual (black) and trend (gray)



1.2. Wages

Unsurprisingly, roughly stagnant output in the core economy has resulted in roughly stagnant wages for Americans.

This becomes clear if the calculation utilizes:

(1) Median income. Due to the U.S.'s pronounced income inequality, proportionately small (but absolutely large) increases in the top levels of income can outweigh proportionately large (but absolutely small)

Russian I+II+Info value-added as % GDP, 2011-2024, from: Структура валовой добавленной стоимости по отраслям экономики [The Structure of Gross Value Added by Economic Sector]. *Rosstat*. web.archive.org/web/20250404011216/https://rosstat.gov.ru/storage/mediabank/VDS_god_OKVED2_s_2011-2024.xlsx

U.S. population from: Population. *FRED*, 13 March 2026. fred.stlouisfed.org/series/POPTHM

Russian population from: Численность населения [Population]. *Rosstat*, 2025. rosstat.gov.ru/storage/mediabank/Popul_1897+.xlsx

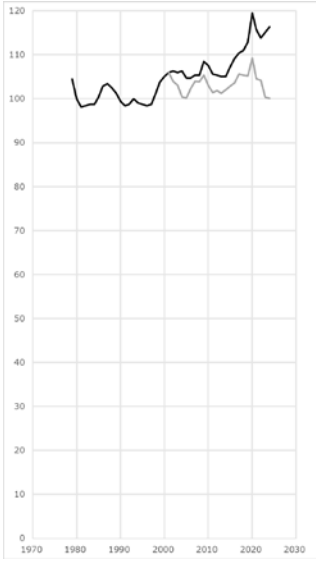
[4] Industrial Production: Manufacturing (SIC). *Federal Reserve Bank of St. Louis*. fred.stlouisfed.org/series/IPMANSICS

Population. *Federal Reserve Bank of St. Louis*. fred.stlouisfed.org/series/POPTHM

decreases at the lowest levels of income, causing the total population's average income to rise—even as actual wellbeing is unchanged for the wealthy few (who do not actually have any need or even use for the additional money) and substantially reduced for the poorer many (who very much do need the money).

(2) Non-luxury-goods inflation. The price of luxury goods has increased at a lower rate over the last couple decades, thereby reducing measured inflation, and increasing calculated real wages, relative to the real situation facing the majority of Americans. The Ludwig Institute's True Living Cost measure excludes luxury goods, and also more accurately represents average Americans' housing and medical costs.[5]

Median pay of full-time workers in the U.S., 1980 level = 100, adjusted for inflation according to official CPI[6] (dark line) and 'True Living Cost'[7] (light line)



[5] True Living Cost. *Ludwig Institute for Shared Economic Prosperity.* https://www.lisep.org/tlc

[6] *Median official-CPI-adjusted pay* from: Employed Full Time: Median Usual Weekly Real Earnings: Wage and Salary Workers: 16 Years and Over. *Federal Reserve Bank of St. Louis*. fred.stlouisfed.org/series/LES1252881600Q#0

[6] *Median TLC-adjusted pay* calculated as *P/(T/C)*, where:
P = median official-CPI-adjusted pay from: see above;
T = TLC price index from: TLC Source Data. 2025. cdn.prod.website-files.com/63ba0d84fe573c7513595d6e/69a5bc303fb32a73cbbe35e8_TLC%20Data%202024.xlsx, spec. tab "Median Earnings Adjusted by TLC";
C = CPI from: ibidem.

1.3. Government Debt

Finally, even as production and wages have stagnated, U.S. government debt has grown rapidly over the last 20 years and appears almost certain to continue doing so, even faster, in the future. This is widely recognized, but the scale and immediacy of the problem are rarely acknowledged concretely.

The most recent long-term projection by the Congressional Budget Office (CBO)[8] expects USG debt to rise from 99 percentage points of GDP (ppGDP) to 175 ppGDP over the next 30 years (2025-2056), at which point it will equal the 175 ppGDP that triggered Greece's crisis in 2011.[9]

Moreover, the situation is, in fact, significantly worse than projected by the CBO, for at least three reasons.

First, the CBO's projection assumes tariff revenue that is initially about 1 ppGDP higher than average tariff revenue was in 2011-2024 (0.25 ppGDP), although this excess declines to 0.4 ppGDP by 2056. Yet (as the projection itself notes) these "values do not account for effects of the Supreme Court's February 20, 2026, ruling on tariffs," which struck most of them down. Perhaps even more importantly, whatever survives has been imposed only by presidential fiat, without any legislative basis, and will likely be mostly or entirely repealed as soon as a Democrat (or even a different Republican) takes office. As a result, by 2056, debt will be about ***19 ppGDP*** higher than projected. (Not counting the cost of interest on the extra debt.)

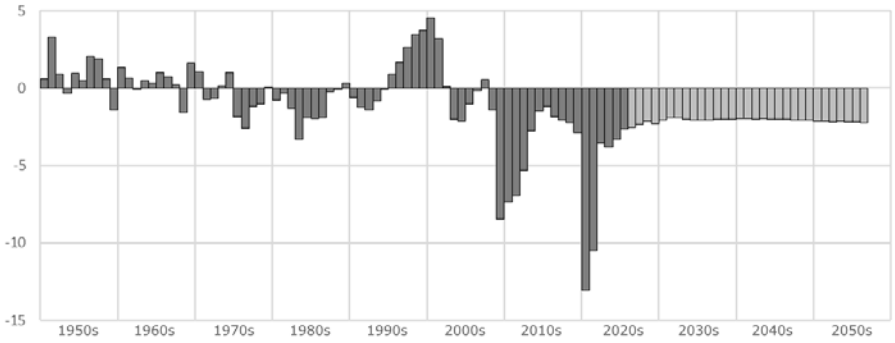
Second, the projection assumes no recessions—and none of the revenue losses, bailouts, stimulus measures, etc., that accompany them. Accordingly, the projected primary deficit looks implausibly flat:

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[8] The Long-Term Budget Outlook Data: 2026 to 2056. *CBO*, February 2026. www.cbo.gov/publication/62044, spec. Tab 1 "Key Projections"

[9] General Government Gross Debt. *International Monetary Fund.* imf.org/external/datamapper/GGXWDG_NGDP@WEO/OEMDC/ADVEC/WEOWORLD

Annual U.S. federal primary surplus/deficit as % GDP, actual in 1950-2025 (dark) and projected in 2026-2056 (light)[10]



In reality, the steady growth of debt during periods of economic expansion will be augmented by surges of debt during periods of recession. In recent U.S. history, recessions have occured roughly once every ten years: 1980, 1990, 2001, 2008, and 2020. Of the last three, that of 2001 overlaps too much with unrelated tax cuts and wars for its effects to be easily identifiable, while the recessions of 2008 and 2020 increased federal debt (relative to pre-recession projections) by 39.5 ppGDP[11] after five years, and by 17.7 ppGDP[12] after just one year,[13] respectively.

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[10] The Long-Term Budget Outlook Data: 2026 to 2056. *CBO*, February 2026. www.cbo.gov/publication/62044, spec. Tab 2 "Debt and Deficits"

[11] 70.0% actual vs. 30.5% projected.

10-Year Budget Projection. *CBO*, January 2007. cbo.gov/sites/default/files/recurringdata/51118-2007-01-budgetprojections.xls, spec. tab "Baseline";

Historical Budget Data (supplementing The Budget and Economic Outlook: 2026 to 2036). *CBO*, February 2026. cbo.gov/system/files/2026-02/51134-2026-02-Historical-Budget-Data.xlsx, spec. Tab 1a "Rev, Outlays, Surplus (GDP)."

[12] 98.5% actual vs. 80.8% projected.

10-Year Budget Projection. *CBO*, January 2020. cbo.gov/system/files/2020-01/51118-2020-01-budgetprojections_0.xlsx, spec. Table 1-1.

Historical Budget Data. *CBO*, February 2026. cbo.gov/system/files/2026-02/51134-2026-02-Historical-Budget-Data.xlsx, spec. Tab 1a "Rev, Outlays, Surplus (GDP)."

[13] The gap between projected and actual debt then actually declined for a few years after 2020, but this was a result of inflation (caused by the immense fiscal and monetary expansions of 2020-2021) that ate away at the debt's real value—which is not exactly a solution whose replication would be desirable, as it had its own costs, including increased interest rates that will, in the long run, only make the debt more costly.

Third and finally, the CBO's projection assumes implausibly low real interest rates: 2.0-2.1% (for 10-year Treasuries) through 2056.[14] In the most abstract sense, that level is very close to the minimum, since real interest rates cannot go much below 0%, yet conversely have no hard upper limit. 2.0-2.1% is also close to the historical minimum, as rates were similar in 2023-2025 and 2001-2007, and significantly higher before that; they were lower only in the unusual and potentially unique period of 2008-2022. Most importantly, it is very unlikely that rates will remain constant at 2.0-2.1% as the Treasury has to offload ever more bonds on the market and the debt: GDP ratio becomes ever more worrying. In fact, static interest rates under such conditions are almost a violation of economic theory. Empirically, nine studies of the U.S. find that the interest rate on government debt increases by 3.3-5.8 points (an average finding of 4.3) for every 100 ppGDP of debt (Salmon, 2025).[15] Another study of 31 countries found an even higher average of 5.3 points of additional interest for every 100 ppGDP of debt (Kumar and Baldacci, 2010).

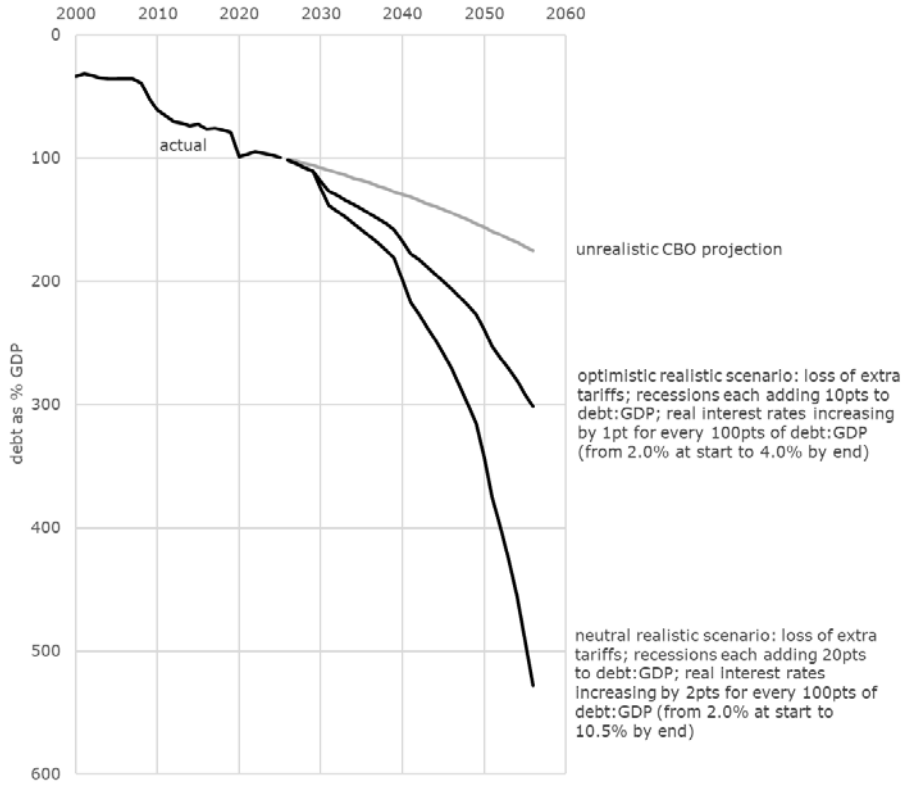
As shown below, even under the most optimistic parameters—recessions with each increasing debt by just 10 ppGDP (compared to 39.5 and 17.7 in the two most recent cases) and interest rates rising by just 1 point for every 100 ppGDP of debt (whereas studies suggest a rate somewhere between 3.3 and 5.8 points, with 4.3 being the most likely)—the above three factors raise USG debt to 302 ppGDP by 2056. And if these parameters are adjusted even slightly from their maximally optimistic levels, the results rapidly become even more disastrous. E.g., in a more neutral (but still far from pessimistic) scenario—with recessions each 'costing' 20 ppGDP and interest rates increasing by 2 points for every 100 ppGDP—debt reaches 528 ppGDP by 2056.

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[14] The Long-Term Budget Outlook Data: 2026 to 2056. *CBO*, February 2026. cbo.gov/publication/62044, specifically Tab 12 "Key Econ Variables."

[15] Salmon provides his its own estimate, and also cites Cotton, 2024; Engen and Hubbard, 2004; Gale and Orszag, 2004; Gust and Skaperdas, 2024; Laubach, 2003; Laubach, 2009; Li and Wei, 2013; Warshawsky and Mantus, 2022.

U.S. Federal debt as % of GDP: actual,[16] projected by the CBO,[17] and likely to actually occur given optimistic and more neutral considerations[18]



By 2056, merely servicing the debt will consume most of the U.S.'s revenue (non-borrowed income)—rather than the 37% projected by the CBO, compared to 18.5% in 2025, and 8.7% as recently as 2021. If collapse has not already occurred, it will do so at this point, as the USG comes to resemble a pyramid scheme more than a government, its operations less a matter of taxing an economy and running a country, and more a matter of finding a way to borrow from Peter in order to pay Paul. In fact, collapse will probably occur earlier than that. Pyramid schemes only work if their internal finances are secret, and a

[16] The Long-Term Budget Outlook Data: 2026 to 2056. *CBO*, February 2026. www.cbo.gov/publication/62044, spec. Tab 2 "Debt and Deficits."

[17] The Long-Term Budget Outlook Data: 2026 to 2056. *CBO*, February 2026. www.cbo.gov/publication/62044, spec. Tab 2 "Debt and Deficits."

[18] Author's own spreadsheet calculations given above-described parameters.

University of Pennsylvania study therefore projects collapse when debt reaches 175-200% of GDP, as it becomes clear where things are heading (Gokhale and Smetters, 2023).

It would be impossible for this article to delve into the likely details of the eventual collapse, but the damage to the U.S.—and to other economies, insofar as they are linked to that of the U.S.—will obviously be quite severe.[19] Probably worse than the Great Depression. In that case, the banks collapsed, but the government eventually intervened to stabilize and revive the economy. Whereas in the coming crisis, the government will be the ***source*** of the financial system's collapse, and will be in no position to help.

While collapse is still avoidable, the magnitude of the measures necessary to avoid it increases with every year. And the U.S. has for several decades been moving in the wrong direction. Tax rates (especially for the wealthy) have been falling since 2001. 'Entitlement reform' has not been heard from since Obama's presidency. Trump's chaotic personnel cuts are likely to do more harm than good, and suggest a fundamental misunderstanding of where the USG is spending its money. (Transfers to individuals and states, interest payments, and the military, respectively, accounted for 61.1%,[20] 14.1%,[21] and 12.2%[22] of federal spending in FY2024, i.e., 87.4% in total.) The U.S. seems to be incapable of not fighting extraordinarily expensive (and in the most recent case, inflationary) wars in the Mideast. In short, there are no grounds for expecting the U.S.

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[19] For a brief overview of the various scenarios, see e.g.: What Would a Fiscal Crisis Look Like? *Committee for a Responsible Federal Budget*. 22 January 2026. crfb.org/papers/what-would-fiscal-crisis-look

[20] Bi, H. and Felix, A., 2014. Federal Government Outlays Remain Historically Elevated, Spurred by Robust Transfers. *Federal Reserve Bank of Kansas City*, 22 November. kansascityfed.org/research/economic-bulletin/federal-government-outlays-remain-historically-elevated-spurred-by-robust-transfers/

11.0% of GDP for individuals and 3.3% of GDP for states = 14.3% of GDP in total transfers = $4126b in 2024 given $28855b GDP.

$4126b = 61.1% of $6752b federal expenditures.

[21] Monthly Budget Review: Summary for Fiscal Year 2024. *Congressional Budget Office*, 8 November 2024. cbo.gov/system/files/2024-11/60843-MBR.pdf, spec. p. 5.

$949b = 14.1% of $6752b federal expenditures.

[22] Monthly Budget Review: Summary for Fiscal Year 2024. *Congressional Budget Office*, 8 November 2024. cbo.gov/system/files/2024-11/60843-MBR.pdf, spec. p. 5.

$826b = 12.2% of $6752b federal expenditures.

to avert its looming fiscal crisis. The political system's dysfunction (see below) and domination by the upper class make the necessary action almost impossible. And the feasibility of that action shrinks—while the painful consequences of it grow—with every passing year.

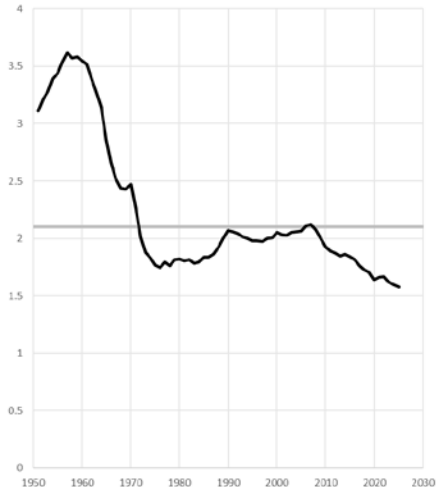
2. DEMOGRAPHIC DECLINE

Economic stagnation—and, probably even more importantly, cultural changes—are, in turn, crippling the U.S.'s fertility. Contrary to common perception, the U.S.'s demographic situation is no better than Europe's, and will likely worsen still further within the next few decades.

This problem is by no means unique to the U.S., but widespread perceptions, that the U.S. is uniquely ***exempt*** from the problem, have been generated by the country's 1989-2009 reprieve from it, and by immigration (as in northwestern Europe) temporarily propping up the country's overall population despite its declining fundamental vitality.

In reality, the U.S.'s demographic situation is now no better than Europe's, with the total fertility rate plunging from replacement level (2.12) in 2007 to 1.58 by 2025:

U.S. total fertility rate[23]



[23] For 1951-1975: Chart 3: Historical Fertility Rates (Births per Woman) in the United States, 1951-2021. bls.gov/opub/mlr/2023/highcharts/data/dubina-chart3.stm

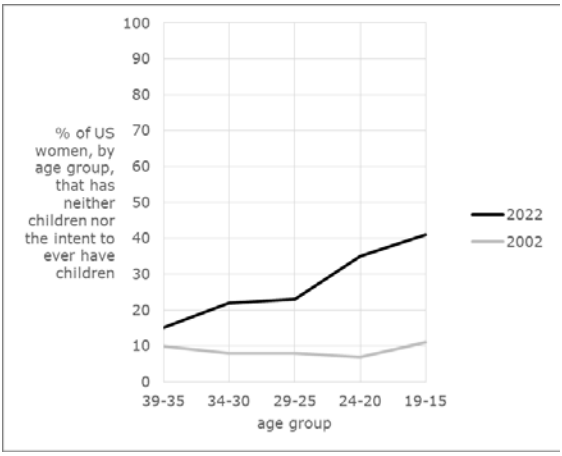
For 1976-2024: The Demographic Outlook: 2026 to 2056. *Congressional Budget Office*, January 2026. www.cbo.gov/publication/61879, spec. Tab 4 "Fertility Rates, by Age Group."

Moreover, the U.S.'s continued economic stagnation/decline and the accelerating cultural drift towards Cosmopolitanism-Liberalism, are likely to make things even worse in the future.

Surveys, regarding the presence and/or desirability of children amongst childbearing-age Americans (most importantly, American women), reveal sharply negative recent trends.

If American women are divided into five separate five-year age blocks starting with 39-35 and ending with 19-15, then the proportion of those who neither have children, nor intend to ever have children, increased dramatically between 2002 and 2022-2023, and acquired a steep generational slope:

Percent of U.S. women in each age group, that neither have children nor intend to ever have children, in 2002 and 2022[24]



Accordingly, the U.S.'s fertility rate will almost certainly not stabilize at its current level of 1.58. It is, at present, still largely determined by women who were, in 2022, between the ages of 25 and 40—less fertile than their 2002 predecessors, but much more possessed/desirous of children than 2022's 15-24-year-olds. As the fertility rate comes to be completely determined by the 2022 survey's

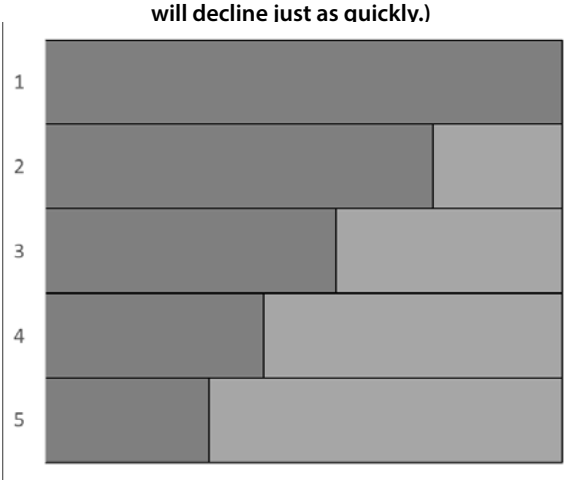
For 2025: 2024 TFR adjusted by .987, the ratio of 2025's general fertility rate (53.1) vs. the 2024 level (53.8) according to: Hamilton, B., Osterman, M., and Elizabeth Gregory, E., 2026. Births: Provisional Data for 2025. *Vital Statistics Rapid Release Report No. 4, National Vital Statistics System, CDC*, April. cdc.gov/nchs/data/vsrr/vsrr043.pdf

[24] National Survey on Family Growth. *US CDC*, 2002 and 2022-2023.

younger age blocks, and by women even younger than them, the fertility rate will plummet well below 1.58—even if trends in desired fertility freeze where they were in 2022, rather than continuing on their present trajectory. It is impossible to predict just how bad things will eventually get.

What is clear is that immigration cannot fix a problem of this size. In simplified but basically correct terms, at a TFR of 1.58, each generation will be one-quarter smaller than the previous. Insofar as immigration occurs at a level sufficient to maintain the overall population, it will almost completely displace the native population in the span of just a few generations:

Within a hypothetical population, share of each generation comprised of the native population and its descendants (dark-shaded) and the immigrant population and its descendants (light-shaded), if the entire locally-born population (including immigrant-descendants) shrinks by 25% with each generation and immigrants are imported to make up for the loss. (Insofar as the immigrants and their descendants remain above the 1.58 level, fewer additional immigrants will be needed, but the native population's share will decline just as quickly.)



This would essentially amount to swapping out the original country for a new one, albeit within the same shell of state institutions. Leaving aside the completely unpredictable political, social, and economic consequences of such a project, undertaking it has proven to be simply politically impossible. Intentionally or not, Biden embarked on such a project when the U.S.'s net immigration rate increased to 0.50% (relative to the U.S.'s total population) in

2022, 0.67% in 2023, and 0.80% in 2024.[25] The latter level, sustained over the approximately 30-year span of a generation, would indeed amount to about a quarter of the population, as foreseen in the simplified model.[26] But the backlash cost Biden the election, returning the presidency to Trump, who launched an unprecedentedly harsh immigration crackdown.

3. POLITICAL DECLINE

Finally, the U.S. is unlikely to fix its economic or demographic problems, and will also face mounting troubles in other spheres (namely foreign affairs and domestic legitimacy), as its political system has almost completely broken.

Unlike the U.S.'s demographic problems, those of its political system are widely recognized. This section undergirds those general impressions with some concrete indicators of the decline and provides a theory of its fundamental cause: polarization inevitably generated by the system's basic (and essentially unchangeable) design.

3.1. Congress

Of the three branches of government, the legislative branch is the most obviously and deeply broken.

Its partisan polarization has been growing for 50-60 years now, to the point that the country's two political parties are now unable to cooperate on almost anything of substance.

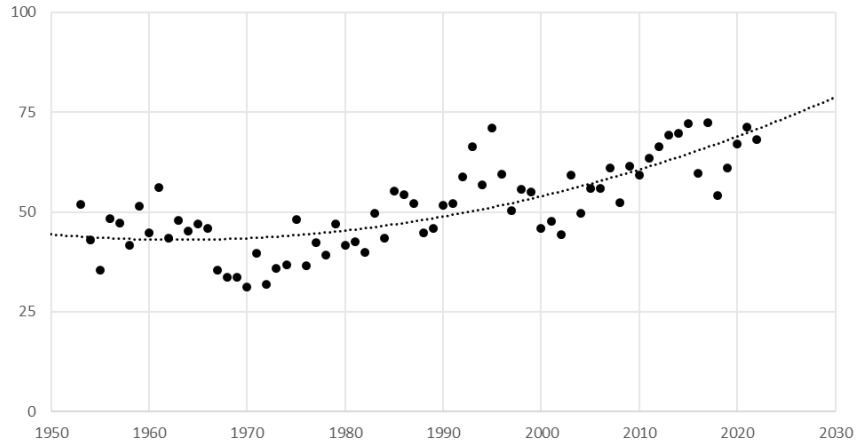
An ever-larger share of votes in the House and Senate are split along party lines. (Most Democrats vote one way, and most Republicans vote the other way.)

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[25] Annual Population Estimates, Estimated Components of Resident Population Change, and Rates of the Components of Resident Population Change for the United States, States, District of Columbia, and Puerto Rico: April 1, 2020 to July 1, 2025 (NST-EST2025-ALLDATA). *US Census Bureau*. census.gov/programs-surveys/popest/datasets/2020-2025/state/totals/NST-EST2025-ALLDATA.csv

[26] Reality does not precisely correspond to the hypersimplified generational model sketched above. Inter alia, not all immigrants are concentrated within the same generation.

Average of the percent of House votes, and percent of Senate votes, that are split along party lines (Reynolds and Maehr, 2024)



Note that the above figures significantly understate the actual level of division. First, they include some nonsubstantive votes (e.g., naming a post office)—although 'voice' (i.e., non-rollcall, unanimous) votes are indeed excluded. And second, the greater the partisan division, the more frequently votes will never even be held in the first place, as the legislation would be killed by the Senate filibuster anyway.

Since 2011, both parties (starting with the Republicans) have been willing to use the filibuster to block any unwanted legislation, meaning that everything requires an almost-always-unattainable 60/100 votes in the Senate unless it is the federal budget or it can be fit into an exclusively fiscal, filibuster-proof 'budget reconciliation' bill, of which there cannot be more than one on average per year.

Thus, in the 15 years from 2011 through 2025, significant laws have been passed at a rate of barely more than one every other year:

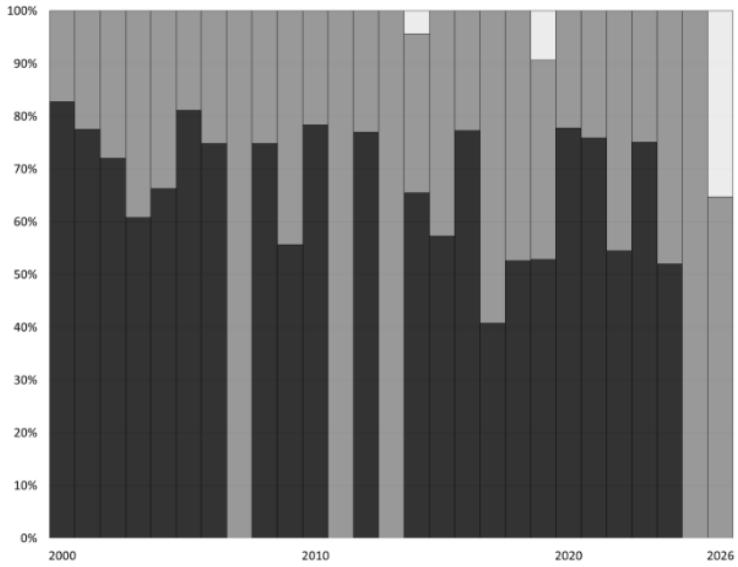
- 2013.01.02 Bush tax cuts partially made permanent
- 2015.06.02 PATRIOT act renewed
- 2017.12.22 Trump tax cuts *(through reconciliation)*
- 2018.05.24 partial repeal of Dodd-Frank banking reform
- 2020.03.27 first Coronavirus stimulus
- 2021.03.11 second Coronavirus stimulus *(through reconciliation)*
- 2021.11.15 Bipartisan Infrastructure Law

- 2022.08.16 Inflation Reduction Act: drug price control, corporate tax increase, tax enforcement, and clean energy subsidies *(through reconciliation)*

- 2025.09.04 One Big Beautiful Bill: Trump tax cuts made permanent, healthcare subsidies reduced, IRA partly reversed *(through reconciliation)*

The budget has become especially troublesome. It has not been passed on time since 1994 (for FY1995), and since then a large part of almost every year has been covered by one or more ad hoc continuing resolutions.

Percent of fiscal year covered by a regular budget (darkest), by continuing resolutions (lighter), or by nothing (partial government shutdown) (lightest). 2026 refers only to the first half of the fiscal year, October 2025–March 2026, and does not treat the Department of Homeland Security's funding lapse as a partial shutdown of the government[27]



Besides evincing Congress's dysfunction, the practice of government-by-continuing-resolution has direct negative consequences, as agencies are forced into short-term, uncertain,

[27] Continuing Resolutions Are Stopgap Measures—But Now We Average Five a Year. *Peter G Peterson Foundation*. pgpf.org/article/continuing-resolutions-were-designed-to-be-stopgap-measures-but-now-we-average-five-a-year/

inefficient, and/or Sisyphean stopgap measures, and must continue operating on extrapolations of prior budgets that do not always reflect new requirements.[28]

3.2. The Presidency

With Congress almost entirely paralyzed, presidents have tried to fill the vacuum, governing (literally) by executive order. However, this is frequently unconstitutional, as presidents arrogate powers that are properly those of the legislative branch: from waging war (against e.g., Libya,[29] Syria,[30] Iran,[31] Venezuela, and Iran again (Royce, 2026)) to controlling expenditures.[32]

Moreover, this practice is ineffective on anything but the shortest timeframe, as a president's executive orders, and other measures without a legislative foundation, can usually be eliminated by the next president as easily as they were enacted in the first place. Many of Obama's measures were reversed by Trump,[33] Trump's by Biden,[34] and Biden's by Trump.[35]

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[28] Heather Krause (Director for Strategic Issues, U.S. Government Accountability Office): Testimony Before the Subcommittee on Federal Spending Oversight and Emergency Management (Committee on Homeland Security and Government Affairs, Senate). 6 February 2018. gao.gov/assets/gao-18-368t.pdf

[29] Steinhauer, J., 2011. House Rebukes Obama for Continuing Libyan Mission Without Its Consent. *New York Times*, 3 June. nytimes.com/2011/06/04/world/africa/04policy.html

[30] Savage, C., 2018. Trump Had Power to Attack Syria Without Congress, Justice Dept. Memo Says. *New York Times*, 1 June. nytimes.com/2018/06/01/us/politics/trump-war-powers-syria-congress.html

[31] Waldman, M., 2025. Congress Sleeps Through a Military Strike on Iran. *Brennan Center for Justice*, 24 June. brennancenter.org/our-work/analysis-opinion/congress-sleeps-through-military-strike-iran

[32] Bazelon, E., 2025. Can He Do That? We Examine President Trump's Power to Determine Federal Funding. *New York Times,* 13 February. nytimes.com/2025/02/13/briefing/can-he-do-that.html

[33] Eilperin, J. and Cameron, D., 2018. How Trump Is Rolling Back Obama's Legacy. *Washington Post*, 20 January. washingtonpost.com/graphics/politics/trump-rolling-back-obama-rules/

[34] Thrush, G., 2021. Biden's Executive Orders (About 30 in 48 Hours) Eat at Trump's Legacy. *New York Times*, 23 January. nytimes.com/2021/01/22/us/politics/biden-executive-orders-trump.html

[35] Kanno-Youngs, Z., Shear, M., and Weiland, N., 2025. Trump's Executive Orders: Reversing Biden's Policies and Attacking the 'Deep State'. *New York Times*, 23 January. nytimes.com/2025/01/20/us/politics/trump-executive-orders-list.html

Of particular importance for other countries, the Senate has become largely unable or unwilling to ratify treaties, meaning that the U.S. no longer signs treaties. Instead, presidents issue dubiously constitutional 'executive agreements' (e.g., the Paris climate agreement)[36] or 'nonbinding agreements' (e.g., the Iran nuclear deal)[37] that are withdrawn[38] (and then unwithdrawn,[39] and then rewithdrawn[40]) by subsequent presidents as easily as they were issued in the first place.

The end result is a great deal more action from presidents than from Congress, but action of a chaotic, oscillating, short-sighted, and ultimately directionless nature.

3.3. The U.S. System's Inevitable Polarization

This crisis is caused by partisan polarization. Compromise and cooperation are almost nonexistent. The parties block each other's agendas whenever possible and, upon gaining power, reverse anything that the other side did somehow manage to push through. This not only prevents the government from governing effectively, but also deprives it and the political system of popular legitimacy.

Yet this partisan polarization is essentially unavoidable, and thus likely to persist indefinitely.

The original sin of the U.S. political system is its naïve, idealistic, or at least obsolete rejection of party politics, and its associated adoption of a majoritarian (first-past-the-post) district system, rather than a

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[36] Stonedale, J., 2016. President Obama's Signing of the Paris Agreement Is Only Good for Nine Months. *The Hill*, 18 April. thehill.com/blogs/congress-blog/energy-environment/276668-president-obamas-signing-of-the-paris-agreement-is/

[37] Glennon, M., 2015. The Iran Nuclear Deal: The Dispensability of Obligation. *Just Security*, 16 March. web.archive.org/web/20150710115815/ http://justsecurity.org/21130/iran-nuclear-deal-dispensability-obligation/

[38] Lander, M., 2018. Trump Abandons Iran Nuclear Deal He Long Scorned. *New York Times*, 8 May. nytimes.com/2018/05/08/world/middleeast/trump-iran-nuclear-deal.html

Shear, M., 2017. Trump Will Withdraw US from Paris Climate Agreement. *New York Times*, 1 June. nytimes.com/2017/06/01/climate/trump-paris-climate-agreement.html

[39] Leggett, J., 2021. United States Rejoins the Paris Agreement on Climate Change: Options for Congress. *Congressional Research Service*. crsreports.congress.gov/product/pdf/IF/IF11746

[40] Perez, N. and Waldholz, R., 2025. Trump Is Withdrawing from the Paris Agreement (Again), Reversing US Climate Policy. *NPR*, 21 January. https://www.npr.org/2025/01/21/nx-s1-5266207/trump-paris-agreement-biden-climate-change

proportional party-list system. Rather than averting the emergence of political parties, as intended by the Founders, the majoritarian system guarantees a rigid partisan duopoly evenly splitting the electorate. (This is also why Russia would benefit from returning to its 2011-2016 electoral system or, even better, from adopting Germany's, which provides parties with proportional representation and voters with directly elected district representatives. Russia's current half-proportional system is still much better than total majoritarianism, but it does theoretically incentivize the non-United-Russia parties to merge around some ideological point roughly opposite to UR, in order to more effectively pursue the majoritarian half of Duma seats.)

And a two-party system has several baneful effects when compared to a multi-party system.

First, it prevents cooperation between the parties. In zero-sum political competition, multi-party systems allow pairs or groups of parties to cooperatively advance their agendas at the expense of others. In a two-party system this is impossible, and we indeed observe only the occasional exceptional instance of cooperation between Democrats and Republicans, when budgets must be passed and debt ceilings raised in order to avoid immense joint negative-sum harm. For the most part, each party refuses cooperation with the other and instead counts on winning total power. A large amount of political action is thereby rendered impossible.

Second, a two-party system leads to whipsawing policy. Multi-party systems tend to produce fairly stable policy trajectories, as small shifts in the electorate's preferences will yield proportionately small shifts in political power, and some parties often pass from one coalition to the next. But, in majoritarian two-party systems, small shifts in the electorate partially or completely change control of the government. Rather than a continuous pursuit of some average or compromise between both parties, the U.S. government whipsaws between total pursuit of the Democrats' agenda (and nullification of the Republicans') and total pursuit of the Republicans' agenda (and nullification of the Democrats'), even though each party's support never strays far from 50%.

Third and finally, a two-party system bifurcates and radicalizes society:

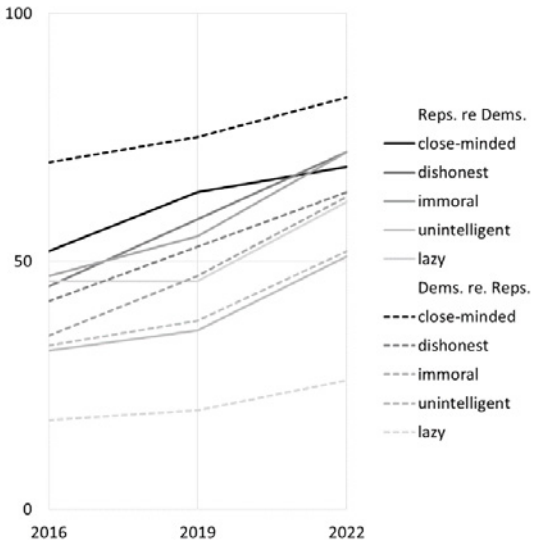
Multi-Party System	Two-Party System
It is rarely or never the case that any two parties are opposed on all issues. Animosity between their adherents (whether politicians or lay supporters) is thus contained.	The parties are opposed on all issues. Even if the parties initially had muddled positions on an issue, they will eventually adopt polar-opposite positions. Even nonpolitical matters, that happen to be associated with supporters of one party or the other, become politicized and endowed with ideological-moral significance.
Each party must define itself in positive terms, rather than in opposition to the others (since there are too many of them).	Each party can define itself in opposition to the other, just as easily as (or even easier than) it can define itself in positive terms.
Coalitions and compromise (facilitated by the abovementioned relative proximity) mean that parties view one another more as competitors, or even partners, than as enemies.	Coalition and compromise are neither necessary nor possible, meaning that the parties are almost always in total opposition to one another, and they define one another as enemies.
Any party that drifts towards radicalism risks losing its supporters to the parties closest to its former position.	Each party can radicalize without risking the loss of much support, since people have nowhere to go. While the parties still pursue the center to some degree in presidential elections, most states (when electing Senators) and House districts are sufficiently tipped in favor of one party or the other that the only real competition is for the dominant party's nomination, entailing a race away from the center, not towards it.[41]

The end result is the sharp and deep division of politics, and then of culture and society as a whole, into two opposing peaks instead of a normal distribution.

This is obvious to anyone actually living in the U.S., but it can be quantitatively traced in polls that depict a rapidly deepening bifurcation in just the last few years:

[41] Corasaniti, N. and Wines, M., 2025. The Death of Competition in American Elections. *New York Times*, 23 February. nytimes.com/2025/02/23/us/politics/us-elections-gerrymandering.html

Percent of Republican/Democrat respondents saying that Democrats/Republicans are...[42]



Additionally, in 1958, 28% of Americans (including 33% of Democrats and 25% of Republicans) preferred that their child marry 'within the party', but by 2016 this had risen to 55% (60% of Democrats, 63% of Republicans).[43] In reality, only 4.5% of marriages were cross-party in 2017, falling to 3.6% by 2020.[44]

In sum, the U.S.'s bifurcation is inevitable, advancing, and spilling beyond politics (which it has fully broken) into the culture and society at large.

4. CONCLUSION

The problems described in this article and their associated phenomena—deindustrialization, trade deficits, budgetary deficits, cultural liberalization/degradation, demographic decline, political deadlock,

[42] Republicans and Democrats are increasingly critical of people in the opposing party. *Pew*, 9 August 2022. pewresearch.org/politics/2022/08/09/republicans-and-democrats-increasingly-critical-of-people-in-the-opposing-party/

[43] Vavreck, L., 2017. A Measure of Identity: Are You Wedded to Your Party? *New York Times*, 31 January. nytimes.com/2017/01/31/upshot/are-you-married-to-your-party.html

[44] Wang, W., 2020. Marriages Between Democrats and Republicans Are Extremely Rare. *Institute for Family Studies*, 3 November. ifstudies.org/blog/marriages-between-democrats-and-republicans-are-extremely-rare

weakening democracy, rising oligarchy and despotism, sociopolitical polarization, etc.—all warrant, and in many cases have elsewhere received, greater attention than they can be given here. But this article has hopefully been sufficient to clearly outline many of them.

In particular, the U.S.'s demographic trajectory is no better than its peers' (or moderately better than China's), its political system and society are quickly (and probably inevitably and irreversibly) ripping apart, and its economic situation is far worse than recognized, industrially stagnant and hurtling towards a fiscal crisis within 30 years. The U.S., already behind China by some metrics of power, will thus decline, relative to most other great powers, for the foreseeable future.

Of course, it will still retain one of the world's largest economies and—at least for the short- and medium-term—one of the world's most powerful militaries. It will remain a great power—but one whose state is too dysfunctional and illegitimate to make use of stagnant but superficially-still-numerous resources, and whose elite is occupied more with internecine struggle than with domestic development.

My own view of U.S. behavior holds that it is produced by the U.S.'s deep ideological identity, not by rational realpolitik that could account for material factors like the limits of one's own resources (Royce, 2025). Accordingly, the U.S.'s (attempted) behavior may not actually change all that much as it declines. But the ***consequences*** of that behavior will certainly change, as the material resources available to support it—and the political system's ability to effectively nurture, mobilize, and wield them—diminish.

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