

# America's dominance is over. By 2030, we'll have a handful of global powers



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The world's political landscape in 2030 will look considerably different to the present one. Nation states will remain the central players. There will be no single hegemonic force but instead a handful of countries – the U.S., Russia, China, Germany, India and Japan chief among them – exhibiting semi-imperial tendencies. Power will be more widely distributed across non-state networks, including regressive ones. And vast [conurbations of mega-cities](#) and their peripheries will exert ever greater influence. The post-war order that held since the middle of the twentieth century is coming unstuck. Expect uncertainty and instability ahead.

Nation states are making a comeback. The largest ones are busily expanding

their global reach even as they shore-up their territorial and digital borders. As the onslaught of reactionary politics around the world amply shows, there are no guarantees that these vast territorial dominions and their satellites will become more liberal or democratic. Instead, relentless climate change, migration, terrorism, inequality and rapid technological change are going to ratchet up anxiety, insecurity and, as is [already painfully apparent](#), populism and authoritarianism. While showing cracks, the four-century reign of the nation state will endure for some decades more.

It was not supposed to be this way. During the 1990s, scholars forecasted the [decline](#) and [demise](#) of the nation state. Globalization was expected to hasten their irrelevance. With the apparent triumph of liberal democracy, spread of free-market capitalism, and promise of minimal state interference, Francis Fukayama famously predicted the [end of history](#) and, by extension, the fading away of anachronistic nation states. A similar claim was made a century earlier: Friedreich Engels predicted the "withering away of the state" in the wake of socialism.

## The end of The End of History

Rumors of the nation state's death were greatly exaggerated. The end of history [has not arrived](#) and liberal democracy is not on the ascendant. Misha Glenny contends that "Fukayama and others under-estimated Western hubris and the greed of financial capitalism which contributed in 2008 to one of the most serious political and economic crises since the Great Depression. These shocks – alongside a vicious backlash against globalization – enabled alternative models of governance to reassert themselves ... with China and Russia but also other states in Europe ... and the consolidation of illiberal nation states."

Far from experiencing a decline in hard power, larger nation states are

steadily shoring-up their military capabilities. The [top ten spenders in 2015](#) included the U.S., China, Russia, India, Japan and Germany. Some of these countries - along with major purchasers such as Israel and Saudi Arabia - are clearly preparing for confrontations in the coming decade. They are not alone. Global defense expenditures have increased steadily since the late 1990s, topping \$1.6 trillion last year. These [trends are set to continue](#) into the next decade.

These same nation states will continue dominating economically. Countries such as the U.S., China, Japan, Germany, India, and to a lesser extent Russia registered among the largest [GDPs in 2015](#). If [adjusted for purchasing power parity](#), China outstrips the U.S. and Russia also slides up the rankings. These countries are also likely to remain the top performers in 2030, alongside Brazil (if it gets its house in order), Canada, France, Italy, Mexico, Indonesia and others. Barring a spectacular collapse of global markets or catastrophic armed conflict (both of which are now [more plausible](#) in the wake of Donald Trump's victory), they will continue laying the rails of international affairs.

Nation states are clearly not the only forms of political and economic organization. They are already ceding sovereignty to [alternate configurations of governance, power and influence](#). The fourth industrial revolution is hastening this shift. As Anne-Marie Slaughter explains, "nation states are the world of the chessboard, of traditional geopolitics ... [but the] web is the world of business, civic, and criminal networks that overlay and complicate the games statesmen play". In [her view](#), stateswomen must learn webcraft in order to mobilize and deploy non-governmental power just as statecraft does with government power.

Vast metropolitan regions are increasingly [rivaling nation states](#) in political and economic clout. Take the case of Mexico City which fields roughly

100,000 police - a larger force than the national law enforcement departments of 115 countries. Or consider New York's annual budget of \$82 billion, bigger than the national budgets of 160 countries. Meanwhile the populations of mega-cities like Seoul and Tokyo are larger than those of most nation states. Many cities are [rapidly forging cross-border partnerships](#) and integrating transportation, telecommunications and energy-related infrastructure. And citi-zens are expressing novel forms of belonging - or city-ness - spanning the digital and physical realms and challenging traditional notions of national identity.

## Four threats to the nation state

Most nation states will endure in the coming decades. There are, however, a number of ways in which they will come under strain.

**First**, the redistribution of power among a handful of nation states is profoundly [disrupting](#) the global order. Established twentieth century powers such as the U.S. and EU are ceding importance and influence to faster-growing China and India. Old alliances forged after the Second World War are giving way to new regional coalitions across Latin America, Asia and Africa. While these reconfigurations reflect regional political, economic and demographic shifts, they also increase the risk of volatility, including war. As [Parag Khana explains](#), "large, continental-sized nation states will continue seeking to control supply chains in energy and technology while smaller states will need to band together or suffer the consequences of irrelevance".

**Second**, the de-concentration of power away from nation states is giving rise to parallel layers of governance. Indeed, nation states themselves are busily establishing legal and physical enclaves to contract out core functions to private entities. There are already more than [4,000 registered special economic zones](#) - ranging from free trade and export processing zones to

free ports and innovation parks – spread out around the world. Many of the ones established in China, Malaysia, South Korea and the United Arab Emirates are considered to be relatively successful while others – especially zones rapidly set up in Africa and South Asia – have [fared more poorly](#). These para-states deliberately fuse public and private interests and test the purchase of state sovereignty.

**Third**, nation states and para-states will come under pressure from decentralized networks of non-state actors and coalitions, many of them enabled by information communications technologies. Large multinational companies are already heavily involved in shaping national policy. So are constellations of non-governmental organizations, unions, faith-based groups and others. Working constructively with, rather than against, these digitally empowered networks will be one of the key tests for nation states. The spread of new technologies offers up new ways of imagining deliberative democracy – but also tearing it down. Such is the Janus face of the [quantified society](#): it offers extraordinary benefits and opportunities, but also risks ranging from the evisceration of low-skill jobs to terrifying new forms of warfare, terrorism and criminality.

**Fourth**, nation states are seeing power devolved to cities. The [relentless pace of urbanization](#) is partly to blame. The number of large and medium-sized cities has increased tenfold since the 1950s. Today there are 29 megacities with 10 million residents or more. And there are another 163 cities with more than 3 million people and at least 538 with at least 1 million inhabitants. Cities are no longer just norm-takers, they are norm-makers. A new generation of mayors and literally hundreds of city coalitions is emerging, busily ensuring that our urban future is embedded in international relations. Not surprisingly, the [geography of power is also shifting](#) with cities increasingly competing with each other and nation states, including over water, food and energy.

Saskia Sassen has shown convincingly how the rise of global cities is generated by the growing importance of intermediation. In [The Global City](#) she explains how the deregulation and privatization of national economies was a key to the globalization of cities during the 1980s and 1990s. This in turn sharply raised the demand for highly specialized talent and contributed to hyper-gentrification, as residents of London, New York, Shanghai or Hong Kong know all too well. All of these developments have [fundamentally altered the texture of urban living](#), raising questions of their sustainability.

There are myriad challenges facing nation states in the coming decade and a half. Having survived 368 years, they have proven to be remarkably resilient modes of political, social and bureaucratic organization. But given the scale and severity of global challenges - and the paralysis of our national and multilateral institutions - there are dangers that nation states are becoming anachronistic and hostile to humanity's collective survival.

The potential for the world's most powerful nation states to be [held hostage](#) to nativist and protectionist interests are more obvious than ever. On the other hand, cities and civil society networks constitute powerful political and economic nodes of power and influence. The question is whether they will be any better at channeling collective action to address tomorrow's threats.

*\* With thanks for input from Anne-Marie Slaughter, Saskia Sassen, Misha Glenny, and Parag Khana.*