Indicators of Decline

By Richard D. Lamm

It's not so much being able to forecast change as to recognize it as it occurs.
— Anonymous

Societies, like economies, have "leading indicators" that give great insight into the future. While these are never infallible predictors, they are almost always helpful in judging direction. They are not always right, but they are usually close. They do not predict, but they forecast. They may be wrong, but we ignore them at our peril. These leading indicators are the status of a nation's human resources, values, political system, social systems, and economic competitiveness.

It is my thesis that America's leading indicators have turned negative and are flashing warning signs. America is heading for multiple crises and relative decline. I set forth this case knowing that the world is a complex place and that history is fond of playing tricks on all civilizations — particularly great civilizations. Every great nation had false prophets of doom. Yet, no great nation in history has survived the ravages of time. All great civilizations believed their greatness to be permanent. In Spain, God was on the side of the King and would never let Spain decline because it was specially blessed. England knew that Britain would forever rule the waves and that "the sun would never set on the British Empire." But history teaches us that nations rise and nations fall.

Where is America in this cycle? We judge at our peril. The optimists have so far prevailed. True, America has many tangible strengths, but a nation's wealth and status are like starlight: what you see is not what is, but what was. Just as the light we see from a distant star started its journey thousands of years ago, so is the nation's current success due principally to past actions. Great nations have great momentum; past investments in education and pro-ductivity continue to give benefits even after those good traits deteriorate. To a large degree, one generation benefits from the seeds planted by its fathers and mothers. We, in turn, plant seeds that will be reaped by our children. They reap what we sow.

There are always forces of decline and forces of renewal at work within societies, and it is difficult to know which are in the ascendency. I clearly recog-nize that my theory may be wrong. Schopenhauer warns us that "every man confuses the limits of his mind for the limits of the world." That said, I believe our current problems and trends are nation-threatening and perhaps irreversible. I believe they likely will lead to a decline in power, prestige, and our standard of living. Most likely, this will lead to social and political turmoil.

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My argument is that the chances (70-30) are that America has entered into a cycle of decline. It is not irreversible, but, to some degree, it is inevitable. Our kids will live in a far different and more chaotic America — an America that doesn't have nearly the wealth or the opportunities that our generation had. Decline, like fog, creeps up on civilizations on little cat's feet, and America's decline began in the recent past. Tomorrow's futurist will wonder how we were so myopic.

In my mind, we have seriously compromised our future. We have overconsumed and under-invested. We have not adequately maintained our wealth-creating potential. A society that spends more government money than it raises in taxes, that consumes more than it produces, that borrows more than it saves, that imports more than it exports is a society on its way to second-class status.

A nation whose students are at the bottom of all international comparisons in education, whose cities are battlefields, which has a disproportionate number of functional illiterates and the world's highest crime rate should beware of chauvinistic reassurances. We face nation-threatening problems that are getting, not better, but worse.

There is a story about a sailor on the Titanic, just before it sailed on its fatal voyage, telling a newspaper reporter that "God Almighty couldn't sink this ship." We may find a way to solve our problems and go on to a brighter future, but we are fighting history. Every once-great nation in history thought itself immune from decline, and, up to now, none of them has been right.