

THE BUBBLE OF
**AMERICAN
SUPREMACY**



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The Bubble of American Supremacy

CORRECTING THE MISUSE
OF AMERICAN POWER

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Preface

I consider the Bush doctrine of preemptive military action pernicious, and so do many others around the world. The invasion of Iraq was the first practical application of the Bush doctrine, and it elicited an allergic reaction worldwide—not because anyone had a good word to say about Saddam Hussein, but because we insisted on invading Iraq unilaterally without any clear evidence that he had anything to do with September 11 or that he possessed weapons of mass destruction.

The gap in perceptions between America and the rest of the world has never been wider. Abroad, America is seen as abusing the dominant position it occupies; public opinion at home has been led to believe that Saddam Hussein posed a clear and present danger to our national security. Only in the aftermath of the Iraqi invasion are people becoming aware that they have been misled.

I contend that the Bush administration has deliberately exploited September 11 in order to pursue policies that the American public would not have otherwise tolerated. The Bush dream of American supremacy is both unattainable and in contradiction with the principles that America has traditionally stood for. It endangers our values as well as our security. And it endangers the world because America is so powerful.

Preface

The United States enjoys a dominant position in the world today that cannot be challenged by any other state or combination of states for the foreseeable future. It can lose its dominance only as a result of its own mistakes. At present the country is in the process of committing such mistakes because it is in the hands of a group of extremists whose strong sense of mission is matched only by their false sense of certitude. By abusing the position that the United States occupies in the world, the extremists have made our nation weaker, not stronger.

These are fighting words and many people will violently disagree, but they are justified by the gravity of the situation. These are not normal times. I have made it my primary objective to persuade the American public to reject President Bush in the forthcoming elections. We have been deceived. When he stood for election in 2000, President Bush promised a humble foreign policy, not the Bush doctrine. If he is rejected in 2004, his policies can be written off as a temporary aberration and America can resume its rightful place in the world. On the other hand, if he is reelected, the electorate will have endorsed those policies and we will have to live with the consequences. But it is not enough to defeat President Bush at the polls. America has to reexamine its role in the world and adopt a more constructive vision.

My own sensitivity to the excesses of the Bush administration may be attributed in large part to my background. I grew

up as a Jew in Hungary during World War II. I lived through both German and Soviet occupation and learned at an early age how political systems can affect your very survival. When I hear President Bush say that “either you are with us, or you are with the terrorists,” I hear alarm bells.* John Ashcroft pushes the wrong buttons in me when he declares, “To those who scare peace-loving people with phantoms of lost liberty, my message is this: Your tactics only aid terrorists, for they erode our national unity and diminish our resolve. They give ammunition to America’s enemies and pause to America’s friends.”† I am distressed that the public is not as alarmed as I am. This is not the America I chose as my home.

When I escaped from Hungary in 1947, I first went to England and studied at the London School of Economics. I came under the influence of Karl Popper the philosopher and learned about the difference between open and closed societies. After I had been successful in the financial markets, I established a network of foundations fostering open societies. As a practical promoter of democracy in various parts of the world, I feel qualified to contribute to a rethinking of America’s role in the world.

I bring to the task a conceptual framework that I started

*George W. Bush, Address to a Joint Session of Congress and the American People, September 20, 2001, available at <http://www.whitehouse.gov/news/releases/2001/09/20010920-8.html>.

†John Ashcroft, Testimony to Senate Committee on the Judiciary, December 6, 2001, available at <http://www.usdoj.gov/ag/testimony/2001/1206transcriptsenatejudiciarycommittee.htm>.

developing in my student days and kept revising in the light of experience. In many ways it differs from the prevailing wisdom. Some of the terms I use—open society, reflexivity, radical fallibility, fertile fallacies, the human uncertainty principle, and the various stages of the boom-bust process—may be unfamiliar to the reader. I give a brief explanation of my conceptual framework in the Appendix.

This book has grown out of my previous one: *George Soros on Globalization*.^{*} In that book, I examined our international financial and trade institutions (IFTIs) and suggested ways to make them more effective. At that time, my main concern was with the excesses of market fundamentalists who are opposed to any interference with market forces. They attacked our IFTIs from the right while the antiglobalization movement was assailing those institutions from the left. I recognized the deficiencies of the global capitalist system, and I argued that they could be cured by reforming and strengthening our IFTIs, not by destroying them. Of course, my argument was at odds with the Bush administration's posture, but September 11 gave rise to a moment of national reflection that might have led to a change of attitudes, and I did not want to let the moment pass.

President Bush led the country—and the world—in a different direction. He used September 11 to assert our right to

^{*}New York: PublicAffairs, 2002.

preemptive military action. My main concern now is with the excesses of that approach. The government of the most powerful country on earth has fallen into the hands of extremists who are guided by a crude form of social Darwinism: Life is a struggle for survival, and we must rely mainly on the use of force to survive. This is a distorted view: The survival of the fittest depends on cooperation as well as competition. The pursuit of military superiority is closely allied with market fundamentalism, which also emphasizes competition to the detriment of cooperation. But the Bush administration was able to carry the nation behind it by playing up the terrorist threat.

Prior to September 11, the excesses of a false ideology were kept within bounds by the normal functioning of our democracy. The war on terror temporarily silenced criticism and carried us beyond normalcy. It is when we invaded Iraq that we entered what I call far-from-equilibrium territory. I see a certain parallel between the pursuit of American supremacy and the boom-bust pattern that can be observed from time to time in the stock market. The bubble is now bursting. The purpose of this book is to explain how we got into the mess in which we currently find ourselves and what America's role in the world ought to be. I shall subject the Bush administration's policies to critical examination in Part 1 and spell out a constructive vision of America's role in Part 2.

Acknowledgments

This book has been published at great speed because of the urgency of the subject. I would like to thank the editors of the *Atlantic Monthly* who saw its importance and gave it early support by agreeing to take an excerpt.

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To all I am truly grateful.

GEORGE SOROS

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