THEIR VIEW

Decline of the American Empire? What current signs of it suggest

America's biggest threat arises not from external but internal forces that may wreck its big advantage. Can it auto-correct?

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PTI

Even as US President Donald Trump imposes his will at home and abroad, there is talk about various stages of imperial decline and how the American Empire is now at one of its last few—fifth out of seven by one estimate.

Empires as commonly understood were based on force and political control. These, however, ended with the rise of civil society, nationalism and anti-imperialism. 'Empire' is now proxy for American global hegemony, referring to its power to enforce its will through a consensual global order of its own making. With that caveat, let us examine the proposition through the lens and arc of history.

Empires in the past ultimately yielded to superior powers beyond their borders. Rome fell to 'barbarians' from western Europe, Islamic empires to Mongols, the Chinese and Indian empires to newly industrialized Europe and an overstretched British Empire to the US.

Paul Kennedy argued several years ago that modern empires (since 1500) declined not through military collapse, but through 'imperial overreach' that stretched resources beyond fiscal breaking point. Attention is drawn to America's tendency to repeatedly get entangled in wars overseas and to the dramatic deterioration in US public finances.

The rapid rise of China with its unstoppable trade competitiveness is seen as a symptom of US decline. A possible alliance of middle powers in response to the Trump onslaught, as proposed by Canadian Prime Minister Mark Carney at the World Economic Forum in Davos, could also conceivably contain US imperialist tendencies.

But how much is history a guide for the decline of the American Empire?

Before the Industrial Revolution, there were few technological gaps between empires. Despite the rise of China, a big technological gap now exists between China and Europe on one hand and the US on the other. It is difficult to see the US defeated militarily anytime soon. A global alliance of middle powers would not change this reality.

The argument then turns to the decline of the US dollar through debasement. In the past, the intrinsic value of a currency was measured in relation to its extrinsic anchor, namely bullion. Currency debasement altered the metal content, resulting in a growing difference between its intrinsic and extrinsic value. Currencies debased by precious-metal dilution eventually collapsed.

Currencies, however, no longer have a bullion anchor. They have been pegged on a fixed basis to the US dollar (or allowed to float against it), which gave up its gold convertibility in the early 1970s and has been a fiat currency ever since. The dollar's status as a global reserve currency and its use for trade explain why the US printing excessive dollars, as seen during the global financial crisis of 2008-09, has had little effect on its strength. The global appetite for dollars (or dollar assets like US Treasury bonds) seems endless, like gold in the past; this has prevented the ill effects of imperial overstretch. Today, though, we are in uncharted territory. History offers little guidance.

Is the steep rise in the price of gold over the last two decades a canary in the goldmine auguring the demise of the dollar as the top reserve currency? Since all currencies are linked to the dollar, this may augur the death knell of fiat currency *per se*. Currencies have had anchors all through history; fiat money has been around for only half a century. If printing money to finance huge deficits is akin to debasement, it is not just the dollar that's at risk.

The strategic depth of the American Empire is based on its technological superiority, as reflected in theatres of war. This, in turn, is anchored in the dynamism of its unparalleled university system. Despite its aged infrastructure and countries like Japan and China moving ahead in applied sciences, the US university system straddles cutting edge fundamental research that drives future tech applications like a colossus. About 70-80% of STEM Nobel laureates were at some point associated with this system. For any assessment of the US Empire, we need to look at the health of its university system.

President Trump's unprecedented attack on the American university system and use of federal authority to constrain intellectual freedom and deprive it of the best young minds from abroad is a monumental self-goal. It is akin to what might have happened had the Romans taxed or banned road building, Mongols mounted archery, Spanish ship-building or Britain the steam engine.

This attack represents more than the whim of an idiosyncratic president. It reflects the resentful mindset of a bigger social underclass of which the 'MAGA' phenomenon is symptomatic. This underclass is a byproduct of neo-liberal capitalism, untempered by the kind of redistributive social policies characteristic of European capitalism. US capitalism has dealt a body blow to the 'American Dream' and created a sizeable underclass with shrinking access to new technologies and the university system needed to get ahead in life. This soured dream has generated resentment against America's privileged elite, with spillovers not just for its university system and aspects of liberal democracy that are seen to be associated with privilege, but also for US foreign relations. It threatens to transform the American Empire from a relatively benign one enforced through a consensual global order into a malign one increasingly relying on hard power both at home and abroad.

The biggest threat to the American Empire arises not from 'barbarians' beyond its borders, but from political forces within. The jury is still out on whether the famed US system of institutional checks and balances would auto-correct to restrain executive excess—as seen in civil society's push-back against ICE in Minneapolis and the rise of leaders like Zohran Mamdani in New York promising a Roosevelt type 'New Deal'—or result in a broad collapse that makes it hard for this empire to recover over the decades. A malign empire is inherently unstable in an age where both civil society and nationalism remain strong.

MINT CURATOR

Blame the upper middle class for America's 'unfair' economy

Adjusting to a sharp increase in upper-end affluence can be hard

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America's enlarged wealthy class has put things out of reach for many. ISTOCKPHOTO

Billionaires are now Public Enemy No. 1 in America. Most voters across party lines think the gap between the rich and poor is a big problem and that the rich have too much power. To be fair, this economy does seem to be making a lot of people anxious and unhappy, but it's not Elon Musk or Mark Zuckerberg's fault. If anyone is to blame, it is the upper middle class. In other words, if you are reading this — or, come to think of it, writing it—you. Us. We are the problem.

An unsung story of the last few decades is the rise of the upper middle class. In the 1960s and 70s, the US had a robust middle class, and the national income distribution looked like a bell curve. The middle class has since been hollowed out, not because people got poorer, but because many families joined the ranks of the affluent.

The shape of the distribution of income changed as more households out-earned the median income: The curve flattened because there were more higher earners. That translates into earnings between $150,000 and $300,000, or even $400,000 if you live in an expensive city. There is also a small cohort of Americans who became very very rich. The top 1%—and especially the 0.01%—moved even further apart from everyone else.

This is all mostly a positive development. Some Americans got super rich, many more became more prosperous and fewer overall are poor. But it feels like a crisis because the economy has not fully adjusted to this new income distribution. Too many affluent people are chasing a limited number of high-end goods and services that feel like necessities: city apartments, an elite-university education, luxury vacations, innovative health care, concert and sports tickets, and so on.

Consider housing. A popular narrative is that a lack of supply is why home prices have increased 70% since the 1980s. While supply is certainly an issue, there is also research showing that there are more affluent buyers whose wealth has grown faster than the number of available homes. There is also a study saying that much of the increase in housing costs in cities between 2000 and 2020 can be explained by an increase in income. Income growth explains why homes are bigger and have more amenities too.

Granted, none of this makes anything more affordable. If you are not a member of the new mass affluent class, then you are getting outbid on a house that you may want, or you may have to settle for a smaller home with fewer features, or maybe there just isn't anything for you on the market at all. Even if you are mass affluent (or on your way), you might have trouble finding a house you can afford.

The same dynamic helps explain why so much else feels so expensive. It's easy to blame algorithms and the secondary market for expensive concert tickets, but a market exists for $1,000 Taylor Swift tickets because many families are willing and able to pay that much for an event with a limited number of seats.

Higher incomes also mean more demand and thus higher prices for less discretionary goods and services such as private schools (or homes in areas with good public schools) or even health care.

Some people are genuinely struggling with affordability because they aren't mass affluent, and more of the economy is now geared toward goods and services out of their price range. Less deserving of sympathy (though still somewhat sympathetic) are the affluent frustrated when their expectations don't match reality. A family with an income of $300,000 may feel like it should be able to afford a great home in an expensive area, send their kids to private school and take nice vacations. But in many areas of the US, it isn't.

The mismatch between affluent demand and supply will probably work itself out. Either the market will find a way to offer more high-end goods and services for cheaper, perhaps through technology, and the trappings of elitism will become less elite—or it won't. In that case, some people will adjust their expectations by moving to a cheaper area, taking cheaper vacations or cooking more at home.

Economies evolve. When they change quickly, the allocation of resources can be thrown out of equilibrium. Sometimes the government steps in and sometimes the market adjusts. That becomes less likely when the frustrated mass affluent turn to populism, which promises to fix the problem with price controls, punitive taxes on the very rich or industrial policy. This will reduce innovation and create shortages, making the problem worse.

And billionaire hatred certainly doesn't help, especially if they are the ones who are making things cheaper. At the very least, you're not competing with them for concert tickets.

GUEST VIEW

Earn the trust of farmers for AI diffusion across farms

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Last week, Amul launched Sarlaben, an AI-powered digital assistant for dairy farmers in Gujarat. It will benefit over 3.6 million milk producers, most of them women, across more than 18,500 villages. Sarlaben answers queries on dairy farming, animal husbandry and milk procurement in real time, and is accessible through the Amul Farmer mobile app and via voice calls in Gujarati by those using basic feature phones.

The challenges were remarkable. The system must be able to understand farmers speaking Gujarati and local dialects, work amid intermittent connectivity in rural areas and give advice they can stake their livelihoods on. It draws from over 50 years of verified cooperative data, including 2 billion milk procurement transactions annually, veterinary treatment records of 30 million cattle and farmer-wise cattle census data.

Maharashtra's Vistaar agricultural advisory system took nine months from commitment to deployment in 2025. The state wanted AI-powered advice for farmers in Marathi and local dialects, accessible via basic phones and available even when connectivity drops during the monsoon season. Ethiopia's OpenAgriNet took three months to deploy earlier this year, addressing the same core challenge of agricultural advice at scale, but with a pathway already mapped by Maha Vistaar.

Amul's Sarlaben took just three weeks. This time compression happened because deployment know-how became transferable. The technical architecture, governance frameworks, evaluation protocols and deployment playbooks that took nine months to build for a pioneer like Maharashtra could be re-used and adapted rather than rebuilt from scratch.

Most AI pilots succeed in controlled environments with clean data, engaged users and vendor support. Then organizations try to scale them and encounter systematic failures that pilots did not reveal. A farming advisory could work perfectly with 500 farmers during a pilot test. But when it expands to cover 50,000, farmers find it hard to connect during the rainy season when they need advice the most. The system struggles with dialects and recommendations often contradict local agricultural universities. So farmers quit using it.

These failures are visible in India because the scale required leaves no room for workarounds. A service in 22 official languages that must account for seasonality and intermittent electricity means every infrastructure gap becomes apparent. A Marathi-speaking farmer using a chatbot on a basic feature phone represents the actual AI frontier, far from the controlled demo environment where all of it works.

AI can expand its Indian reach if systems are set up that work at scale well enough to win cultivators over

India's approach focuses on ensuring people can adopt AI systems in real conditions. An adoption pathway is a reusable route that combines technical architecture, data and safety governance with evaluation benchmarks and deployment playbooks, maintained in a way that lets others adopt it without starting from scratch. This pattern enabled Amul's three-week deployment.

The work began much earlier, though. AI4Bharat at IIT Madras spent years collecting speech data across 400 districts to build datasets that reflect India's actual linguistic reality. That foundation enabled the government's Bhashini language platform, which serves countless people, and EkStep Foundation's AXL that personalizes learning for millions of students in government schools.

These systems have moved beyond pilot projects to reliable production infrastructure, serving populations larger than many countries. Vistaar provides agricultural advice in Marathi and local dialects because it can draw on Bhashini and AI4Bharat's multilingual models. Without these shared building blocks, every agricultural system would need to rebuild language capabilities from the ground up. With them, deployment becomes repeatable, costs drop and timelines compress.

The real friction in the adoption of these tools may have more to do with risk exposure than technical capability. Institutions hesitate because adoption could fail publicly, disrupt workflows, result in compliance burdens or create accountability gaps should recommendations go wrong. Every pathway includes specific mechanisms to address adopter risk. Evaluation and testing protocols ensure systems behave as expected before they are deployed. Human oversight makes space for escalation channels in special cases. Monitoring tracks performance in real conditions. Institutional backing creates accountability structures. These reduce reputational, political and compliance risks for adopters. Weak diffusion capacity creates a strategic risk: when only a few actors have the capability to deploy AI at scale, resilience and public trust are hard to acquire. India's digital infrastructure avoided this trap.

Creating these pathways takes time and investment. The innovation is largely done; models work. What matters now is diffusion infrastructure to enable adoption across sectors: agriculture, education, healthcare and governance. The creation of this infrastructure requires governance mechanisms that can help generate institutional trust and interoperability, apart from the data pipelines, safeguards and accountability mechanisms that let AI work under real constraints.

AI diffusion demands that an invisible framework be trusted across India. The difference between controlled pilots and population-scale infrastructure will determine whether AI works for a billion people who face real constraints and challenges.