



Economic Nationalism and Globalism

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At the end of the Triassic period, Earth's continents were fused into a single significant landmass – Pangea. Continental drift has since separated the supercontinent. In many ways, global politics mimics this motion, drifting away from a world whereby humanity can share a common planetary existence. In its place, Nationalism and a focus on division over connection has emerged. But we are still part of One Earth.

That idea, at the heart of globalism, suggests that cooperation, connection, and interdependence should guide international endeavours. Albeit globalism's prevalence, the rise of economic nationalism illustrates conflicting opinions amongst people. Nationalists want protection, control, and the reassurance of prioritising their own country. As globalisation continues to shape how economies function, doubt surrounds a pressing question: can these two forces - nationalism and globalism - peacefully coexist, or are they fundamentally at odds?

According to Anderson (1991), a nation is “an imagined political community... because the members of even the smallest nations will never know most of their fellow-members, meet them, or even hear of them, yet in the minds of each lives an image of their community.” (p. 6). However, Tamir 'The Origins of Nationalism' (1995) points out that a nation cannot be purely imaginary due to shared feelings or perceptions caused by a variety of factors including, but not limited to, language, law, religion, land and history. Tamir further recognises that these factors may segregate groups, an example given being the Israeli-Palestinian conflict. Both groups share history and land, however unlike nations that have bonded over the common grounds, the tension has escalated into a war. These shared factors may conflict one another and thus instead of bonding identity, it causes separation, culminating in shared feelings and perceptions which transpire into collective beliefs and exclusively collectivise a group into a nation. In continuity, these beliefs evolve into action and policy, and when these actions are based on the collective feelings of its people, nationalism has set afoot.

Nationalism originated in ancient Rome (Obstfeld, 2021), with modern nationalism being associated with the Revolution of the United States (1765-1783) and France (1789-1799) (Kohn, 1939). Both revolutions solidified a historical legacy that has developed their national culture over time (Lieven, 2005). Famously, Napoleon Bonaparte is known to have played a key part in the transfer of nationalism around Europe (Lyons, 1994). As economic ventures grow in contemporary society, a business that accesses global resources benefits from comparative advantages increasing productivity and profit. Another catalyst of globalisation is innovators in technology which have contributed 40% of global productivity growth from 2004-2014 (Aslam et al., 2018), elucidating the extensive impact technology has amassed internationally. Notwithstanding the fear that homogenisation of culture caused by phantom neo-colonialism purges cultural diversity (Berry, 2008). Therefore, we must consider the multi-faceted attributes of globalism in context with those of nationalism.

Nationalism's dominant impact on the global economy is showcased through trade wars. According to Itakura (2020) the

repercussions of the ongoing US-China Trade War, a large percentile caused by the tariffs that began in 2018, have cost China over 1.41% of its GDP and over 1.35% of US GDP. The Trade War is an example of nationalism restricting a state's ability to be global by limiting trade relations between countries of the opposing party. As the countries trade at higher costs, both lose competitive price advantages, decreasing their platform in the global market as the refusal to co-operate continues to the detriment of both States. According to Fajgelbaum et al., (2021) countries such as Vietnam, Thailand, Korea, and Mexico have taken advantage of the Trade War to increase their trade and strength of their product markets. Whilst the US and China are using their nationalist beliefs against one another, countries such as Vietnam are taking the opportunity to enhance national economic interests, and as a result become more global. Thereby highlighting that Nationalism may harm a nation, and that when acts of nationalism support globalism, the outcome can be economically beneficial.

Global initiatives have been perceived to contradict the interests of a nation, including the global initiative climate action of the Sustainable Development Goals. According to Abas et al., (2015), 39.5 Gigatons of carbon dioxide emissions are released annually to meet the global energy demand of more than 12 billion tons of oil equivalent per annum. This depletion of and overdependence in finite resources will cause food, water and security crises (Friedrichs, 2010; Sorrell, et al., 2010), risking another sustainable development goal - zero hunger. Fossil fuels fill 81% of primary energy demand (Welsby et al., 2021), this engenders the prediction that oil and gas production will have to decrease globally by at least 3% per annum by 2050 to meet climate preservation goals. A nation would seek to have a strong economy to provide a higher standard of living to its people, some achieve this by utilising fossil fuels. In Europe, 10 countries, such as the United Kingdom and Germany, present values of fossil fuel use of higher than 80% (Martins et al., 2018). In 2024, the Australian Bureau of Statistics (2023) released that exports of goods credits rose by 1.7% to \$789 million and listed the main driving factor as coal. In climate preservation and economic nationalism, countries find themselves at a conflict of interests, making global progress difficult due to the lack of coherency, further segregating the world by promoting self-interest to gain a competitive advantage over countries abiding to climate goals.

It is, however, possible for both globalisation and nationalism to both benefit economically. Countries that interact in global trade are more economically developed than less active nations, after all a country grows from their exports. Between 1988 and 1997 Singapore had a GDP increase of 2.67 times, comparable to that of Hong Kong's. Singapore is now recognised as the most free-market economy in the world - in other words, Singapore has low restrictions, allowing its people to be globally resourceful. Singapore's GDP per capita in 2022 was US\$82,807.6, the US's was US\$76,329.6, and Yemen's was US\$650.3 (The World Bank, 2024). Both Singapore and the US are countries that are heavily involved in global trade, allowing their GDP per capita to be larger than Yemen, a country not able to do so due to the current civil war. Ergo, demonstrating that countries' interests to increase the scale of their economy is allowing countries to become more global. Moreover, countries can form trade relations as another way of being global. In less than 10 months in 2023, China had exported \$81.5 billion in goods to Russia. Notably, this is more than the total export to Russia in the entirety of 2022. Rising by 13%, Chinese imports of Russian goods have further increased. Ergo, trade allows for both nationalism in strengthening your national economy and may make a country more global.

Increasing expectations of commercial image, and the evolving trend of transparency in business practices have made sustainability in business the epitome of importance (Laszlo & Zhexembayeva, 2011). An unsustainable business both in terms of humane and environmentalist practices may gain a negative reputation from consumers, the media, stakeholders, employees, or even potential and current business partners. British Petroleum Plc's (BP's) oil drilling rig disaster in the gulf of Mexico in 2010 (Arora & Lodhia, 2017) resulted in the death of 11 workers and tarnished BP's reputation, losing almost 25% of its market value and \$40 billion in costs relating to recovery and cleanup. Many consumers calm their conscience of knowing about issues such as climate destruction by buying products that seem to promote or help solve issues, such as

preservation of the environment. Bryson & Lombardi (2009) have studied two property development companies that have focused on sustainability and have in depth listed the many benefits that such a business model has brought to them. Global initiatives can be considered an entrepreneurial opportunity for nations to gain the upper hand and progress their nations economic standing.

It is not difficult to describe these ideologies as diverse, both in juxtaposition to one another and perceptions within themselves. A nation finds success in its own sovereignty and power whereas globalism collectivises the world, leaving some nations with less autonomy. Focusing on nationalism in itself can cause conflict between nations, as highlighted by the Trade War between the US and China. However, global initiatives, including climate action may contradict a nation's interest resulting in a nation undermining global interests and hindering progress. Nonetheless, global trade benefits the economies of countries, showcasing a beneficial partnership between nationalism and globalism. Finally, sustainability is crucial for business due to evolving expectations and transparency trends. Companies embracing sustainability gain positive reputations and potential economic advantages.

The perception of national and global interests within society have the capacity to evolve to be a more harmonious coexistence of Nationalism and Globalism. Nonetheless, climate action being against a nation's interests should not be the case. If the changing consumer attitude is properly understood, it can be concluded that environmentalism is an entrepreneurial opportunity that allows businesses to profit over their sustainability or efforts towards solving global issues. Moreover, countries that retreat from globalisation or participate in economic conflict against one another only cause themselves more harm, a result that is inconsistent with their national interests.

We must remember that we are all a part of the Same Earth. A country, in essence, is a jigsaw puzzle that Globalisation places and eventually soldiers into a cohesive picture. Globalism will naturally occur to improve efficiency in resource allocation, whilst overly adversarial competition wastes resources that would be better allocated by working together, illustrating that instead of binary oppositions, we must learn to abridge our interests. What increases business profitability or allows countries to gain a competitive advantage will be the resourcefulness emerging from utilising collective advantages. Henceforth, Globalisation and Nationalism are most effective in cooperation without conflict, connecting humanity beyond borders in a shared planetary existence.

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