

PO230 States and Markets: An Introduction to International Political Economy
Seminar Week 9. Economic Nationalism and Building Economic Muscle

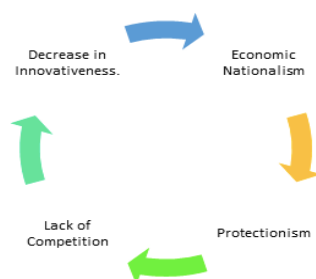
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The very nature of economics is rooted in nationalism (Joan Robinson)?

Assess the Economic Nationalist claim that International Political Economy can be best understood in terms of interstate competition for power.

Do we agree that protectionism leads to a lack of competition and innovation?

The vicious cycle of Protectionism-



To what extent do economic nationalist scholars such as List draw on/build on Adam Smith's liberal political economy?

Adam Smith vs Friedrich List

In the importance of division of labor and productivity

In the role of industry and manufacturing

The importance of trade

Discussion: <https://www.theatlantic.com/past/politics/foreign/fall1f.htm>

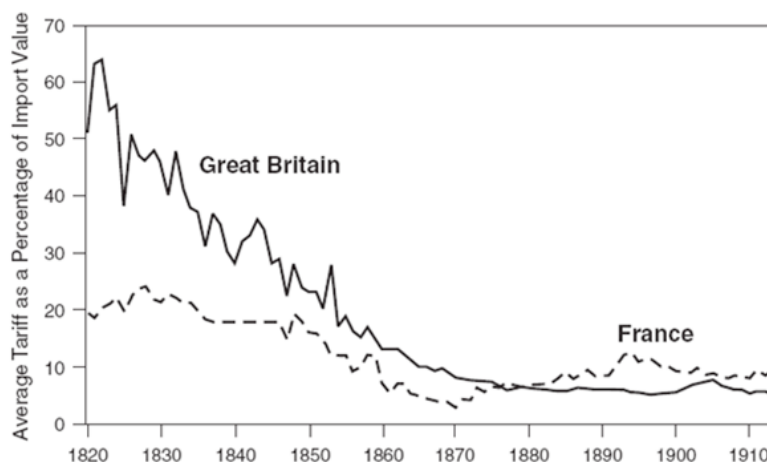


Figure 1.1. Average Tariff Rates: Tariff Revenue as a Fraction of All Imports (Imlah, 1958; Lévy-Leboyer and Bourguignon, 1985).

Where would you place this view on the political spectrum?

“A nation’s citizenry largely shares (or should share) a common economic fate; the state has a crucial positive role in guiding the national economy to better performance; and the imperatives of nationalism should guide the state’s economic policies.” David Levi-Faur 1997

“Hamilton’s and List’s ideas, rather than being the antithesis of Liberalism, are a synthesis of it and mercantilism” (Harlen 1999). **How?**

Levi-Faur 1997:

Friedrich List, *The National System of Political Economy* (1841)

Robert Reich, *The Work of Nations: Preparing Ourselves for 21st Century Capitalism* (1991)

- List’s and Reich’s economic nationalism does not reflect a narrow, ‘selfish’ zero-sum game, and stands as an example of a benevolent version of economic nationalism. “Reich’s benevolent economic nationalism refers to a voluntary solidarity between the members of a nation” (Levi-Faur 1997). **Is this economic nationalism useful?**

Other notes:

- For your own understanding, use the Levi-Faur (1997) reading (it’s short) and create brief summaries of List’s and Reich’s ideas of the economy.
- **Economics made easy** (read this if you are a non-economist and have trouble with the subject): [Economics : the user's guide / Ha-Joon Chang](#) [Chang, Ha-Joon, author.](#)



Economics : the user's guide / Ha-Joon Chang

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