

THE POLICY OF ECONOMIC NATIONALISM: FROM ORIGINS TO NEW VARIATIONS OF ECONOMIC PATRIOTISM

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Abstract. The purpose of the paper is to analyse the fundamental principles of the policy of economic nationalism and economic patriotism, its origins, intentions and mechanisms of implementation. The analysis of selected theories allowed for outlining the most essential characteristics, along with identifying the ones laying the fundament for economic nationalism. The main purposes of the policy of economic nationalism and economic patriotism have a similarity: in spite of the common adjective “economic”, they have always gone beyond the boundaries of economic regulation, being a response on “political order” of the time. 21 century offers a lot of evidence to confirm the above thesis. Elements of the economic nationalism in the economic patriotism policy have been demanded by state power officials as a kind of response on the awareness of market failure in striking a new balance in the conditions of the imbalanced global economy, with the growing competition and the shrinking global trade. *Methodology.* There is a need to reconsider the origins of economic nationalism by making an analysis of the concepts of nationalism, represented by four paradigms: modernism, primordialism, constructivism and perennialism. *Results.* Use of the term “economic patriotism”, contrary to “economic nationalism” or “neo-mercantilism”, gives vivid evidence of different sources for patriotic intervention in the economy. While the instruments of conservative economic patriotism include classical protectionist measures (in full conformity with the ideology of economic nationalism) aimed at domestic protection for further expansion, and the capacities of protective regionalism are used (when it is pursued by regional associations that have a supranational regulatory body), liberal economic patriotism is implemented by the use of neo-protectionism instruments that are not confined to regulation of foreign trade, but focused on stimulation of economic activities by the use of capacities of internal demand and stimuli to supranational industry (which should not be confused with the industrial sector). *Practical implications.* The analysis of the essential meaning of the concepts of “economic nationalism” and “economic patriotism” by many classification criteria enables to argue that these categories have a high potential of solidarity. The analysis gives grounds for practical conclusion that economic nationalism meant to form a powerful state that sets up economic priorities and pursues the respective economic policy. According to economic nationalism, the market cannot be self-regulated; moreover, because powerful economies “regulate” the global market for their own advantage, a national state needs to correct market relations. *Value/originality.* Therefore, economic nationalism can be understood not only in its essential meaning but in its political context as well. Independence as a political goal needs to be distinguished from self-sufficiency as a by-product of policy focused on other objectives. Thus, tariff protection for some industries, introduced to hide political intentions to cut high competitive imports from a country of their origin, will enhance the country’ independence in a direct way. But autarchy is not a direct goal of the tariff protection policy. We determined that liberal economic patriotism is a response to deformation of the classical credo of liberalism “laissez-faire”.

Key words: economic nationalism, economic patriotism, protectionism, neo-protectionism, economic policy.

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1. Introduction

In fact, economic patriotism is not a recent invention; it is rooted in the antiquity, the medieval times, and the modernity. Its feature is “realism” or “common sense”, which can also be its other denotation. The principles of this paradigm were already elaborated by mercantilism when there were no economic theories, but the only practical effort of the state and business leaders focused on the development of domestic economies.

However, quite many scientists question the ability of nationalism to encourage democracy and modernism. The functions of nationalism in the process of social modernization, highlighted in scientific literature are as follows: the leading role in consolidating citizens, to implement national development objectives; modernization in its broader sense; compensation of losses suffered by a nation from the past experiences, and from inevitable problems faced by a nation in course of modernization. These conclusions are relevant mainly for post-colonial countries where nationalism has to face external influences and domestic patriarchal tribalism at the same time. It follows that nationalism is a leading social idea, by use of which the state has to adopt novel civilization principles.

It should be noted that we firmly believe that a nation state is no longer valid in the globalization era, being a hostage of transnational capital. Methodologically the capitalism fails to assess the global situation from real perspective, because it has to be replaced by methodological cosmopolitanism, which subject is the global community, but not its selected clusters located within the boundaries of “nation states” that are no longer national, being transformed into temporary “gateways” for transnational corporations.

We are going to make an analysis of the concepts of nationalism, represented by four paradigms: modernism, primordialism, constructivism, and perennialism. The theory of modernization offers the extensive and comprehensive review of nationalism and democracy as political trends in the global socio-political process, and of the controversies in their interactions. It is argued that nationalism as an ideology encourages the creation of a nation-state that would subsequently undergo modernization. Advocates of this opinion believe that nationalism will appear as an anti-modernistic and pro-modernistic phenomenon at the same time if addressed in the indissoluble unity with its social carriers acting in specific historical processes.

At early phases, primordialism developed as a part of the anthropological school. Primordialists believe that nations existed throughout the whole historic period. In their arguments, they rely upon a lot of evidence to the existence of “pre-modern” nations. Yet, it is not quite capable to explain the historic phases when national feelings were compromised to religious regional factors. According to primordialism, nationalism is conditional

on certain mystic stances that are not always rational, rather than on the functional needs of a society. According to constructivist beliefs, nationalism is objectively determined by economic realities and by the system of ideas born in 19 century. Modernism exists in two forms: chronological and sociological. According to the first one, nationalism as an ideology, a movement, and a symbol is a relatively new phenomenon; according to the second one, nationalism is also a radically new phenomenon. According to the second form, nationalism is a novelty, but not a modernized species of something old. Nothing like this had ever existed. Because it is not a routine issue of the continual movement of history, it is a phenomenon born by an ultimately new era and new conditions.

Nationalism is a product of modernity. This argument per se means the real modernism. Yet, not only nationalism per se is modern, but also nations, national states, national identity, and the whole “international” society. They all, according to a modernist, are new not only chronologically, but brand new. From 19 century till the 1940s, many scientists were adherers of one or another version of perennialism. It was partly due to the popular equalization of “race” and “nation”, with the term “race” denoting a cultural group of autonomous origin rather than inherited and invariable biological features and genes (i.e. what can be replaced today by the term “ethnical belonging”). Perennialism was also inspired by the idea of society’s development, with its emphasis on gradualism, staging of progress, social and cultural accumulation. The vision of nations as collective examples revealing genuine signs of gradualism, development, and accumulation was a simple and even natural matter, especially for ones fond of organic analogy.

However, it should not be overlooked that, first, the above functions cannot be realized without essential deviations from already established perceptions of democratic norms and procedures; second, when nationalism relies on nation-specific traditions, they will come contrary to objectives of modernization. Some researchers add “democracy”. We are convinced that at the early phase of the post-colonial country’s development the problem of modernization and democracy cannot be dealt with, especially when a country, such as Ukraine, has internal and external military conflict (Panchenko & Reznikova, 2017). The situation in Ukraine is a vivid case of the gap between fundamental principles of freedom of speech, mass media standards, freedom of political opinion, on the one hand, and real social practices established in the conditions of confrontation.

2. Analysis of recent research and publications

Practices of nationalism are considered in scientific literature in the latter half of 20 century as an attempt to explain nationalism by its impact on the development of

society and its institutes. Earlier, the prevailing opinion was that nationalism had spread in 19 and 20 century as a result of the coming industrial era triggering dissemination of ideologies and knowledge meant to substantiate theoretically the new social system (Cohen & Zysman, 1987). The concept of economic nationalism, formulated at the intersection of several intellectual schools, became rather a tool for interpretation than a full-fledged theory. As some theories of nationalism overlook economic grounds for state building, and others are not confined to the economy, it is too difficult to distinguish ones that could be classified as theories of economic nationalism.

Yet, analysis of their essential characteristics shows that the paradigms of perennialism and constructivism attempted to define the vector of the economy's impact on societies and vice versa. While advocates of perennialism were defending the idea that economic development was conditional on the social development, and insisted that only a developed society could give impulse to economic development, adepts of constructivism, on the contrary, argued that economic ideas (development, fighting inequality, expansion) laid the fundament for renaissance of the national idea.

However, once the objective is set to define the outstanding features of these theories, the most representative arguments should be analysed, articulated by T. Nairn (Nairn, 1997) and E. Gellner (Gellner, 2006), because in their works the economic dominant of nationalism is irrefutable. For T. Nairn, the mainstream factor behind economic nationalism is uneven development. When referring to it, the author approaches the structuralist interpretation of "dependence" as a lack of "true" independence from the impact of other countries, caused by a number of internal and external factors. These factors are often referred to as "structural deformations", in view of the impact of the international capitalist system on local economies and, through them, on the distribution of commodities, services, and wealth. Therefore, the principal objective of economic nationalism, according to T. Nairn, is to discover and stimulate internal drivers for economic development, not conditional on the impact of external factors and capable of causing gradual convergence of incomes with rich countries.

E. Gellner (who was a political economist) builds up his theoretical construct on the assumption that industrialism can have the determinant role in the economic development. It is true that industrialism per se is important for him in view of the enhanced conditions for development and homogenization of culture, because the industrial society, being mobile by origin, forms the demand and robust functional requirements for culture. So, economic nationalism, according to E. Gellner, is dictated by the need to

secure the required conditions for building the state into the global coexistence so that the state can acquire the attributes of an actor in international relations. In E. Gellner's interpretation, nationalism acts as a political principle that calls for the coincidence of the national unity and the state. E. Gellner considered nationalism as an ideology caused by the society's transition from agricultural mode to an industrial one. At the same time, nationalism is a movement towards unification of education systems, to introduce industrial standardization (workforce included) and build up the integrated area of education and science. It should be noted that his work "Nations and Nationalism" was severely criticized by modernists (Heilperin, 1980).

In the article "Homogenisation, nationalism and war: should we still read Ernest Gellner?" D. Conversi (Conversi, 2007) criticizes the author for overlooking nationalism as a militarist ideology. He highlights the link between nationalism and the growing aggressiveness of a state. Other researchers argue that nationalism permeates all the walk of public life, strengthening it in a way in policy, economic and security terms, and associate it with the instrument for achieving the goal, formulated by the state's elite (Crane, 1998). The goal can be individual and group interest (attaining the power by social groups or redistribution of resources) or social interest (development, strengthening of the state). It should also be remembered that nationalism, like any other ideology, provokes a society for narrow discourses, limiting the broader social discourse. It can be born in mind that for nationalism, a society can exist only in form of the nation state; nationalism forms the methodology for social studies and stimulates competition between nation states as comparable formations.

L. Greenfield (Greenfield, 2001) argues that nationalism has laid the background for economic growth, forced governments to compete in order to assure welfare growth of their nations. In the work "The Spirit of Capitalism: Nationalism and Economic Growth", she outlines two issues concerned with the immediate reason for the rise of the modern economy with orientation on growth, and factors that put the economy in focus of the modern ideology. L. Greenfield distinguishes between the types of nationalism with various economic performances. As the principles are radically different, forms of socio-political organization of the state are different, too. As a nation is interpreted as a consolidated or unitary community, criteria of nationality can be civil or ethnic. These variables (theoretically, they can exist in four combinations) create three types of nationalism with the respective forms of nations and national identities: individualistic civil, collectivist civil, and collectivist ethnic. These types had different impacts on the development of nations-states.

3. The purpose and methodology of research

As can be seen from the above analysis, according to the methodology of economic nationalism, the state is the central agent of a nation, the carrier of its interests, and the source of means for their implementation. This conclusion enables for setting the ambitious task, to rediscover the features of economic nationalism in economic theories (mercantilism, Keynesianism, classical school) and economic policies, which, once implemented in practice by outstanding policy men, will enrich the terminology by new concepts synonymic to the concept “economic nationalism”. Yet, our objective is to find out, if “nationalism” in the policy of economic nationalism has the same essential features as “nationalism” in the paradigm of nationalism. What kind of actions taken by politicians or government officials can be interpreted as ones that are ideologically close to economic nationalism? Has the concept of “nationalism” in our days the same colouring as it had hundreds of years ago? The analysis of selected theories will allow for outlining the most essential characteristics, along with identifying the ones laying the fundament for economic nationalism.

4. Economic nationalism VS Economic patriotism

New economic nationalism of the middle of 20 century has several sources: one of them is obviously mercantilism; another one is the teaching about “national isolation”, which, if the ideas of Aristotle are put aside, originated from Johann Gottlieb Fichte. The mercantilist tradition includes elements that can hardly be rediscovered in the primary form in the contemporary world (such as colonialism), but regulation of payment balances and seeking for total employment is the reality of our days. Economic nationalism was a product of its era, as it provided the states implementing it with an effective tool for achieving economic growth and, most importantly, for strengthening the global position. Built on ideological grounds, economic nationalism featured the expansion dominant determining the means to achieve the objectives (Reich, 1991). Although it was erroneously considered by some researchers as the supreme form of protectionism mainly due to the prevalence of tariff instruments for the regulation of foreign trade, it was not confined by the impact on foreign trade and became the backbone for development strategies aimed at achieving economic security (Bhagwati, 1988). The liberal background of globalization did not so much deform the existing capacities of economic nationalism and the specifics of its implementation, as it determined the gradual transformation of its essential forms.

The movement towards integrative interactions at the global and regional level, accompanied by the liberalization of flows of goods, capital and workforce,

the increasing demand for coordinating policy of governments and pressures from regulatory carcasses of supranational institutions are factors that raise the importance of finding versions of national self-affirmation, an alternative to economic nationalism. Innumerable numbers of interpretations and definitions of priority sectors and their conscious development by way of dichotomies “stimulation – expansion” or “protectionism – free market” appear with time. Economic patriotism has become a new version of economic nationalism, as it replaced protectionism as a principal instrument of foreign economic policy by a broader instrument of influence, neo-protectionism.

Economic nationalism and economic patriotism have a similarity: in spite of the common adjective “economic”, they have always gone beyond the boundaries of economic regulation, being a response on “political order” of the time. 21 century offers a lot of evidence to confirm the above thesis. Elements of the economic nationalism policy have been demanded by state power officials as a kind of response on the awareness of market failure in striking a new balance in the conditions of the imbalanced global economy, with the growing competition and the shrinking global trade. Economic patriotism is considered not a French-specific phenomenon, but a broader tendency of modern developed economies. Economic patriotism goes far beyond the boundaries of “industrial patriotism” (which at the time was widely used in U.S. and France), and it has a broader political and economic significance in the current economic policy of developed countries due to persistent contradictions occurring in capitalism of 21 century.

The brightest example of a carrier of ideology alternative to the universalist “free trade” is Donald Trump, whose protectionist rhetoric in course of the election campaign, although being his personal “trump card”, was nevertheless perceived by the global economic elite as a troublesome attempt to get attention. However, this frank position calling for support to domestic market capacities given the shrinking total demand does lay a powerful trend in international economic relations in the forthcoming decade. The Trump’s hoodoo does not matter here, because waves of protectionism and liberalism have alternated for centuries, signalling the cyclic recurrence in the economy.

Economic patriotism is based on the opinion that interests of the home country have a higher weight than individual interests of corporate and political elites or mythic objective of the global economy’s development, which makes it more similar to economic nationalism. Although economic patriotism in its original French use is labelled as “loud political initiatives designed to shake public opinion”, it can also be accompanied by political debate, which demonstrates its veiled and semi-opened nature, because it falls under classical manifestations of protectionism, fixed in WTO documents and coloured in

negative tones. European investment in R&D associated with strategic industries was considered as a driver for R&D performance and strengthening, in order to build new “European champions” in the industry (artificial priority setting with the respective stimuli, to cultivate potential “champions”, is, perhaps, the greatest heresy in the free market world). In response, the European Commission blamed French policy men for their failure to promote the European Neo-Colbertism in spite of blowing up neo-mercantilist themes in mass media.

5. Alternative forms of economic patriotism

To eliminate the risks of terminological confusion, in Table 1, we are going to give the essential meaning of alternative concepts “authoritarian patriotism” and “democratic patriotism”, which are not a background for economic patriotism. Economic interventionism has never disappeared, even in countries stubbornly supporting market liberalization. In 2005, Dominique de Villepin, the then French Prime Minister, called the right of national governments to defend own interests in integrated markets “economic patriotism”. Economic patriotism, originating from F. List’s economic nationalism (List, 1909), argues that economic choice should be based on the interests of each country. The renewed attention to this concept in the lexicon of political elites before “great recession” of 2008 shows in-depth and obvious contradictions between the objectives occurring in course of increasingly stronger integration of international markets, on the one hand, and of local governments’ capacities to propose their solutions, on the other (Henderson, 1983). In the world with a wide range of economic management

regimes, politicians encounter what is aptly called by Colin Crouch “paradox of neo-liberal democracy”. The objective of politicians as national leaders is to secure political and economic interests of their citizens in the conditions of complex relationships between economy, law, and regulation when the lion share of economic management is no longer a subject to their exclusive control. This raises the importance of finding alternative strategies of economic policy.

B. Clift and C. Woll (Clift and Woll, 2012) examine economic patriotism through the prism of searching for compromise approaches to finding consensus between abstract global economic objectives and political commitments of governments on each territory. It allows for interpreting economic patriotism as the one with positive effects for social groups, companies, and sectors which, in the opinion of local politicians, can be referred to as so-called “insiders” due to their location (in the U.S. this approach is articulated by the slogan “buy American”, in U.K. – “British jobs to the British”, in Germany – “Priority to German investors”). Economic patriotism takes forms of economic partiality: the desired market is the one built in a way to secure a privileged position for certain actors. Contrary to economic nationalism, economic patriotism does not confine economic entities to ones with domestic residence (domestic business), because privileges cover both supranational and sub-national levels of economic agents.

B. Clift and C. Woll outline two features of economic patriotism. First, economic patriotism, like economic nationalism, is based on connection to a territory in building up political and economic area, and not to a specific political context. Although

Table 1
The essential meaning of alternative forms of patriotism

	Authoritarian patriotism	Democratic patriotism
Ideology	<ul style="list-style-type: none"> – The belief that one country is better than the rest of the countries; – Blind loyalty to the land and citizenship by the fact of birth; – Blind acceptance of the government’s actions; – Reflex adherence to leaders and their blind support; – Conscious ignoring of drawbacks in the social system and social confrontation in a country; – Conformism: – Dissidence is considered as a threat with destabilizing effects. 	<ul style="list-style-type: none"> – The belief that the ideals of one country are worth to be taken with enthusiasm and respect; – Blind commitment to principles underlying democracy; – Questioning of decisions, critical view of things, and relative loyalty; – Respect and care of people in the society based on certain principles (such as freedom or justice); – Sincere condemnation of drawbacks existing in the national economic system; – Respect for alternative opinions and encouragement of dissidence.
Slogan	This is my country, good or bad. America: love it or leave it.	Defiance is unpatriotic. You have the right to speak out.
Historic cases	The era of senator McCartney voting in Chamber of Representative. Sessions of the House Un-American Activities Committee, which strengthened opinion that to have anti-American stance means to be unpatriotic.	Powerful arguments of Paul Robinson, Pete Seeger and others at sessions of the House Un-American Activities Committee, who scorned the Committee members for the outward propagation of American stance.
Contemporary cases	Equalization of opposing views of the war in Iraq and hatred to America or support of terrorism.	Strengthening of American principles of equality, justice, tolerance or civil freedoms.

Source: Clift, B. and Woll, C. (2012). *Economic patriotism: reinventing control over open markets. Journal of European Public Policy*, 19(3), pp. 307-323

liberals have long associated economic patriotism with “irritant” and “violator” of economic rights and competition, considering economic patriotism as a concept synonymic to protectionism, this approach is not adequate, because it overlooks importance and multifaceted meaning of this phenomenon, which features are largely conditional on country or region. Moreover, it does not allow for adequate analysis of cases when officials use liberal economic policies to pursue selective strategies, in order to support interests of the so-called market insiders.

Second, although economic nationalism exists so long as the national state, we can observe the occurrence of its new features along with the transformation of national sovereignty, which is accompanied by erosion of the state and its institutes. Economic patriotism contributes to reconfigurations of global management and interdependence of markets, required as a result of the crisis caused by 30 years long massive economic liberalization after the fall of Bretton Wood system in 1978, deepening of European integration in the 1980s and the collapse of communism in 1989.

The use of the term “economic patriotism, contrary to “economic nationalism” or “neo-mercantilism”, gives vivid evidence of different sources for patriotic intervention in the economy. Economic patriotism had the implicitly protectionist character in the era of its initial heyday, seeking to protect “young” (as F. List puts it) sectors of the economy by tariff policy and shield them from the pressures of foreign competition (Levi-Faur, 1997). Economic patriotism takes on to care about the economic sectors which, if stimulated and supported, would be capable of generating impulses for economic growth across the national economy, but

it uses hybrid regulatory instruments adaptable to the liberal conditions dominating in the global economy.

However, instruments of any approach when used in their pure form (mercantilist, or Listian, or Keynesian) will be incompatible with the conditions of countries’ coexistence, generated by the contemporary phase of international economic relations. The increasing shares of manufacturing industries (by Keynesian and mercantilist approaches), protection of new industries and enterprises, their support in enhancing export capacities and encouragement of industrialization process (Listianists), implementation of policies focused on stimulating total demand with consideration to its ecological effects (Keynesians) can well be fitted into the realities of our days and reflects ideological principles of economic policies in OECD countries (see Table 2). The analysis of selected theories allows for outlining the most essential characteristics, along with identifying the ones laying the fundament for economic nationalism (see Table 3).

A classification attempt to synthesize various approaches and reflect volatile tendencies more often will be subject to critique. However, types, forms of manifestation, and levels of implementation of economic patriotism underline dynamic rather than the static character of this concept (see Table 4).

6. Conclusions

While the instruments of conservative economic patriotism include classical protectionist measures (in full conformity with the ideology of economic nationalism) aimed at domestic protection for further expansion, and the capacities of protective regionalism are used (when it is pursued by regional associations

Table 2

Theoretical background of economic patriotism as economic nationalism of 21 century

Mercantilists:	Listianists:	Keynesians:
– growth in the shares of manufacturing industries	– protection of new industries and enterprises that are weak in the competitive environment; – stimuli to the industrialization process; – the reasonable intervention of the state, capable of coordinating the required processes and set up the required rules of the game, etc.	– setting up redistribution policies, policies for support of demand, consideration for ecological aspect.

Source: compiled by the authors

Table 3

Essential characteristics of economic nationalism from economic theories perspective

Mercantilists	Listianists, the teaching of F. List	Keynesians
– Strong and independent industry; – Development of factories; – Increase in the share of manufacturing industries; – Financing of enterprises from the public budget; – Production regulation (creating public enterprises)	– Protection of new industries and enterprises that are weak in the conditions of competition; – Importance of collective ownership; – The functional role of the state as “energy catalyst” (government intervention is required in course of industrialization, to coordinate the involved process, set up the rules of domestic game etc.)	– Autonomy of national economic policy; – Priority of national finance; – The coherence of social justice and economic efficiency; – Setting up of redistribution policy, demand support policy, consideration for ecological aspect).

Source: compiled by the authors

Table 4

Types and economic patriotism and its implementation methods at supranational and national level

		Types of economic patriotism		Forms of manifestation
		Liberal economic patriotism	Conservative economic patriotism	
Levels of implementing economic patriotism	Supranational economic patriotism	Strategic regional integration	Protective regionalism	
	Local economic patriotism	Implementation of liberal policies promoting the formation of supranational companies	Protection of national producer	

Source: compiled by Volodymyr Panchenko on the basis of: Clift, B. and Woll, C. (2012). *Economic patriotism: reinventing control over open markets. Journal of European Public Policy*, 19(3), pp. 307-323

that have a supranational regulatory body), liberal economic patriotism is implemented by the use of neo-protectionism instruments that are not confined to regulation of foreign trade but focused on stimulation of economic activities by the use of capacities of internal demand and stimuli to supranational industry (which should not be confused with the industrial sector).

Liberal economic patriotism is a response on deformation of the classical credo of liberalism “laissez-faire”. It should be emphasized that the principle of government’s non-intervention used to apply to economic relations only, to set up the internal and external balance. In times of classical liberalism (17 to 19 centuries), the social sphere was out of the regulatory focus or was essentially limited. In the contemporary, “etatism”, a form of liberalism, the idea of regulation of the social sphere becomes dominant, and its “laissez-faire” form of 21 century (the end of 19 till the beginning of 21 century) helps rethink the role of the state, with regulation becoming socially oriented. However, it should be born in mind that the contemporary liberalism has spread “liberal credo” far beyond the boundaries of economic freedom.

Furthermore, while conservative economic patriotism had a protective character by origin, liberal economic patriotism has acquired expansionist features through the ramified instruments of neo-protectionism, which modify the ideology of economic nationalism by enlarging its scales. It allows regional associations to move toward extensive forms of integration and encourage the creation of national TNC for conquering markets. It is a supranational level where the reference can be made to distinctions between protection of existing advantages from domestic production and creation of local advantages when integrating into various markets, by creating TNC in particular. Can stimuli to create domestic TNC be a manifestation of economic patriotism? It is a contentious issue. We are, however, convinced that in this context stimuli to create national giants with transnational power, controlling the lion share of global markets, should better be diagnosed through the prism of economic nationalism as an ideology acceptable for leading countries of the world.

The unbiased analysis of Table 4 shows that the classification is based on the character of the so-called

government interventions, varying by adopted policy and by the instrument for its implementation (support for domestic economy or expansion). In other words, while in conservative economic patriotism the state acts as an entity that has to face the challenges originated from outside, in liberal economic patriotism the state, apart from being positioned as an entity reflecting the existing realities of interstate dialogs in its policy or responding on the conditions of supranational regulation, is an active actor in priority setting. The policy of liberal economic patriotism can well be fitted into the landscape of market fundamentalism because it does not go contrary to its founding principles in seeking to eliminate market imperfections (failures). It needs to be admitted that liberalism in foreign trade policy is a result of, but neither a reason for the effective internal economic policy of the state nor the main alternative of protectionism.

These conclusions are fully confirmed by EU practices: although national forms of protectionism are not welcome by the single European market, government intervention can be considered as an ancillary instrument of liberal economic patriotism and liberalism in the economy (especially in the context of the proclaimed policy of re-industrialization or “new industrial policy of EU”).

The legacy of mercantilism, which was naturally “blended” into ideological principles of economic nationalism, encompasses:

- (1) Cautious planning of payment balance instead of allowing it to be balanced by its own.
- (2) The increase in domestic employment by limiting imports and stimulating exports.
- (3) Cautious regulation of structure and scopes of exports and imports (and financial operations that had a minor role just before 19 century).
- (4) Various practices of protectionism and visible scraps of the idea that it is better for a country to export than to import.
- (5) The opinion that it is better to buy from one who consumes his goods had rather small significance in the mercantilism doctrine, but today it has broadened and turned into “principle of bilateral relations.”
- (6) The thesis that foreign economic relations need to rely upon political necessity rather than individual decision.

The analysis gives grounds for the conclusion that economic nationalism meant to form a powerful state that sets up economic priorities and pursues the respective economic policy. According to economic nationalism, the market cannot be self-regulated; moreover, because powerful economies “regulate” the global market for their own advantage, a national state needs to correct market relations. Therefore, economic nationalism can be understood not only in its essential meaning but in its political context as well. Independence as a political goal needs to be distinguished from self-sufficiency as a by-product of policy focused on other objectives. Thus, tariff protection for some industries, introduced to hide political intentions to cut high competitive imports from a country of their origin, will enhance the country’s independence in a direct way. But autarchy is not a direct goal of the tariff protection policy.

The retrospective analysis allows stating that the implementation of economic nationalism policy was backed by the following arguments:

(i) Seeking for as much independence as possible, from the resources that are out of the country’s control, in order to be strong in a potential war. For a major part of governments considering the feasibility of aggressive

military actions, autarchy was a prelude for the conquest.
(ii) Seeking for higher product diversification and a more balanced national economy. The diversification was considered as a means to enhance the national well-off and the national power. Yet, although such policy was often seen by its advocates as a temporary one, it might be lasting.

(iii) Seeking to plan domestic economy as independently as possible in the global economic conditions. Here autarchy turns to policy, either of economic isolation or, at least, of economic isolationism.

Yet, the three outlined intentions in implementing economic nationalism have obviously been obsolete and they cannot be relevant for today. For a better understanding of the modern interpretation of “economic nationalism”, it should be born in mind that in the world divided into a number of independent countries, policy per se is always national. It is national not only because it is pursued independently from policies of other countries but also because the national policy of various countries (some countries or all countries) is coordinated and harmonized with each other. It may seem obvious but it must be realized because the policy is national policy if even it is a product of international agreement.

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