

State and Nation: Fascism, Cultural Authoritarianism, and Economic Nationalism

- and Economic Nationalism

Today's Menu: Varieties of Community

- general will
 - Gift economies
 - Polanyi's examples
 - Digital Communities and anti-rival goods
- Religious community
 - Islamic Economics
- Nation as Community
 - The State as the spiritual embodiment of the Nation
 - Fascism
 - Cultural Authoritarianism
- Human Community
 - Rifkin's Vision
- Economic Nationalism

Review: Nations are communities that fill the vacuum left by liberalism and socialism

- They evoke emotion, not reason
- They evoke solidarity, not competition
- They provide an identity bigger than ourselves
- They provide security, not individual striving
- They provide an arena for cooperation, not competition

**Liberal nations are
In tension...is liberal nationalism possible?**

- **Property rights, markets are possible in national communities but threaten them**



Extreme National Community: Fascism

- "Those who perceive nothing beyond opportunistic considerations in the religious policy of the Fascist regime fail to realize that Fascism is not only a system of government but also and above all a system of thought."
- View of Human Beings
- Fascism and the State
- State and Nation
 - Individuals
 - democracy
- War and Heroism
 - War makes us noble
 - What is Heroism?
- Allocation of Resources: Corporatism
 - tripartism



Fascism and Democracy

Rousseau

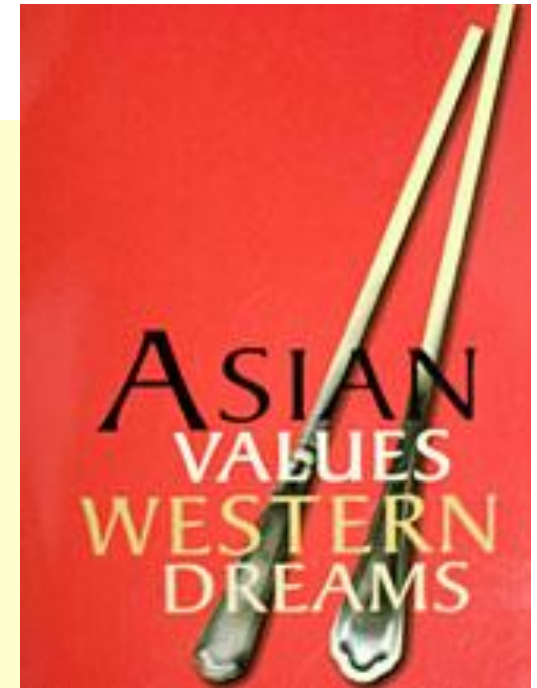
- " the general will is always right and tends to the public advantage; but it does not follow that the deliberations of the people are always equally correct. *Our will is always for our own good, but we do not always see what that is; the people is never corrupted*, but it is often deceived, and on such occasions only does it seem to will what is bad."

"There is often a great deal of difference between the **will of all** and **the general will**; the latter considers **only the common interest..... the former takes private interest** into account, and is no more than a sum of particular wills

Mussolini

- The maxim that society exists only for the well-being and freedom of the individuals composing it does not seem to be in conformity with nature's plans, which care only for the species and seem ready to sacrifice the individual. It is much to be feared that the last word of democracy would be a form of society in which a degenerate mass would have no thought beyond that of enjoying the ignoble pleasures of the vulgar ".

Culture and Authoritarian Communities: The “Asian” Case



Liberals Ignore or Universalize Cultural Communities



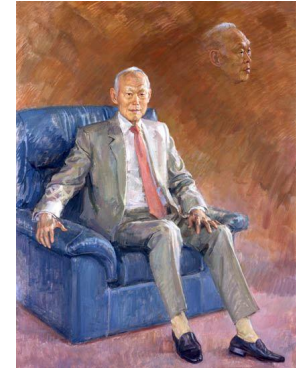
They didn't reckon with Lee Kwan Yew

I'm **not convinced that** one-man,
one-vote **is the best.**



we would have a better system if we gave every man over the age of 40 who has a family two votes because he's likely to be more careful, voting also for his children.

They didn't reckon with Lee Kwan Yu



- Lee Kwan Yew: “ The liberal tradition claimed that human beings had arrived at this perfect state where everybody would be better off if they were allowed to do their own thing and flourish. It has not worked out, and I doubt if it will.”
- Certain basics about human nature do not change. **Humans exist only in a social context—community more important than individualism**

Community is more important than Freedom

- Eastern societies believe that the individual exists in the context of his family. He is not pristine and separate. The family is part of the extended family, and then friends and the wider society.
- there is grave disquiet when we break away from tested norms, and the tested norm is the family unit. It is the building brick of society.
- "too much" democracy and "too many" individual rights destabilize social order.

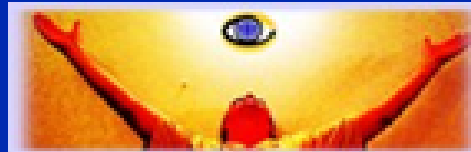
Xiushen qijia zhiguo pingtianxia.



But Isn't freedom more conducive to growth than government control over behavior?



10 Commandments of Innovation



1 Have a dream

2 Inspire your team

3 Focus on customers

4 Be different

5 Question everything

6 Synergize

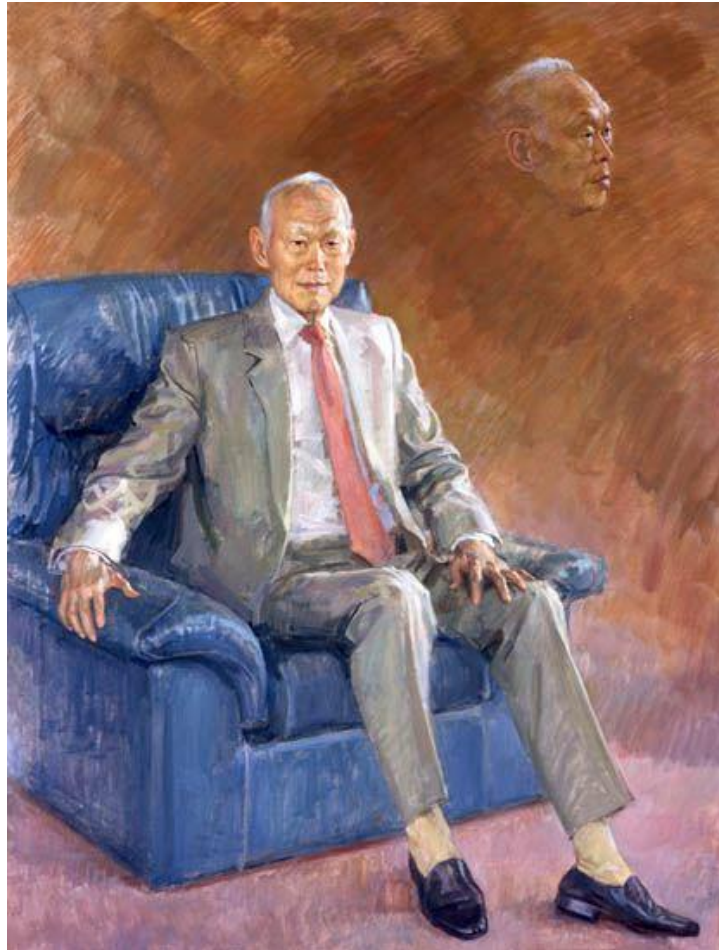
7 Establish the process

8 Take risk

9 Lead change

10 Be entrepreneurial

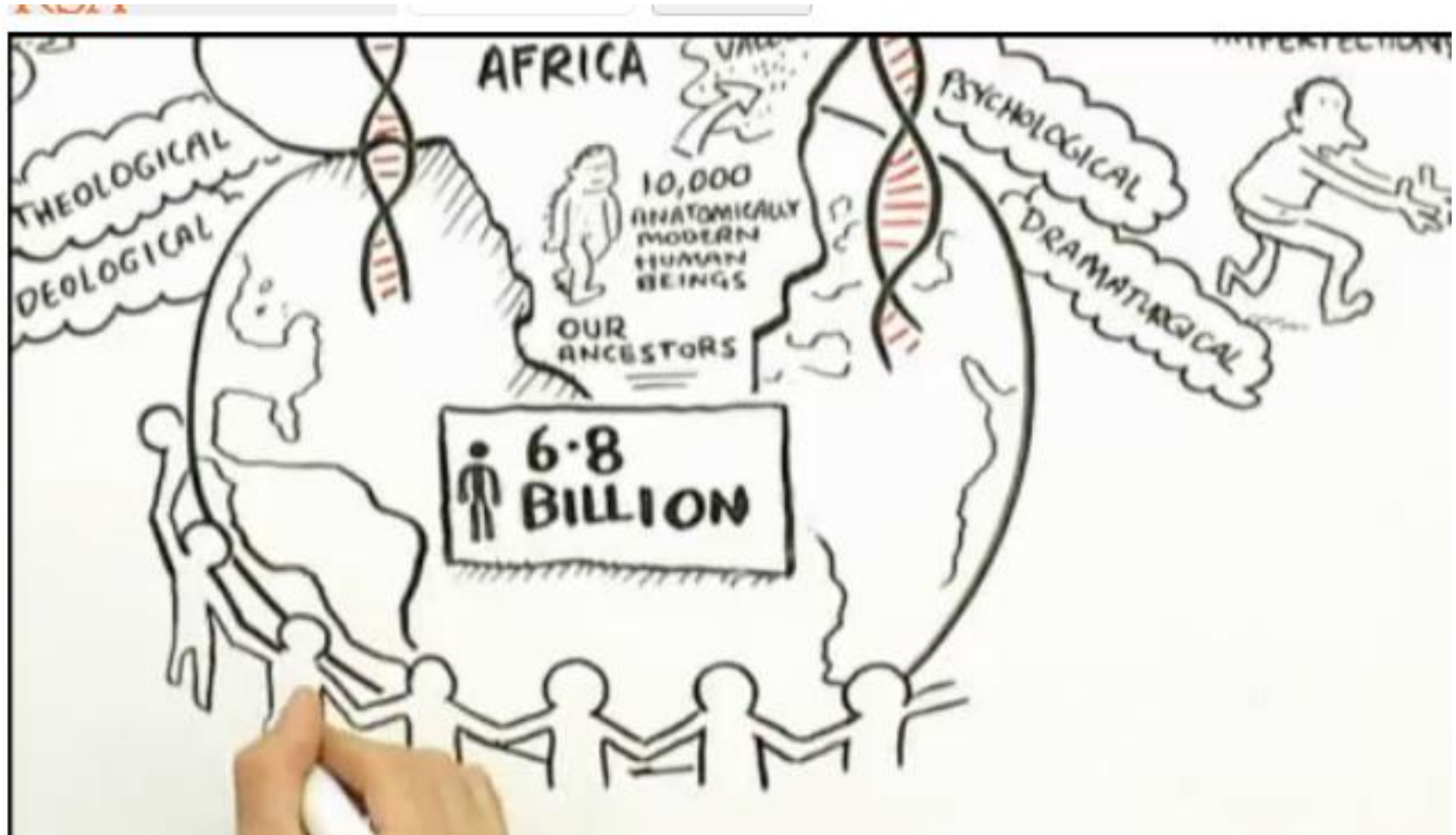
No.....says Lee Kwan Yew



Is a Global Community possible?

<http://www.youtube.com/watch?v=l7AWnfFRc7g>

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Nationalism in the International economy



economic nationalism in the international economy

- States are main actors
- They care about their community and want it to grow
- They pursue power to protect the community—even from markets
- They want influence over other states to make themselves richer

Assumptions about international system

- States pursue power to protect the community—even from markets
- They want influence over other states to make themselves richer at their expense
- Why?

Nation-states want influence and power. Why? Because of Anarchy

- No government over states
- States compete with each other to survive
- International trade is a PD game

Anarchy prevents cooperation

YOU

	Cooperate (free trade)	Defect (protectionism)
cooperate	5, 5 Comparative advantage Growth for all	0, 3 I keep my market open but you close yours; I lose
Defect (protectionism)	3, 0 You keep your market open, I close mine, I win, you lose	3, 3 We both close our markets; you close yours, I retaliate, you retaliate, and so on.....more free trade

ME

Why national self-sufficiency?

- It leads to peace. Why?
- It protects the community's ideals

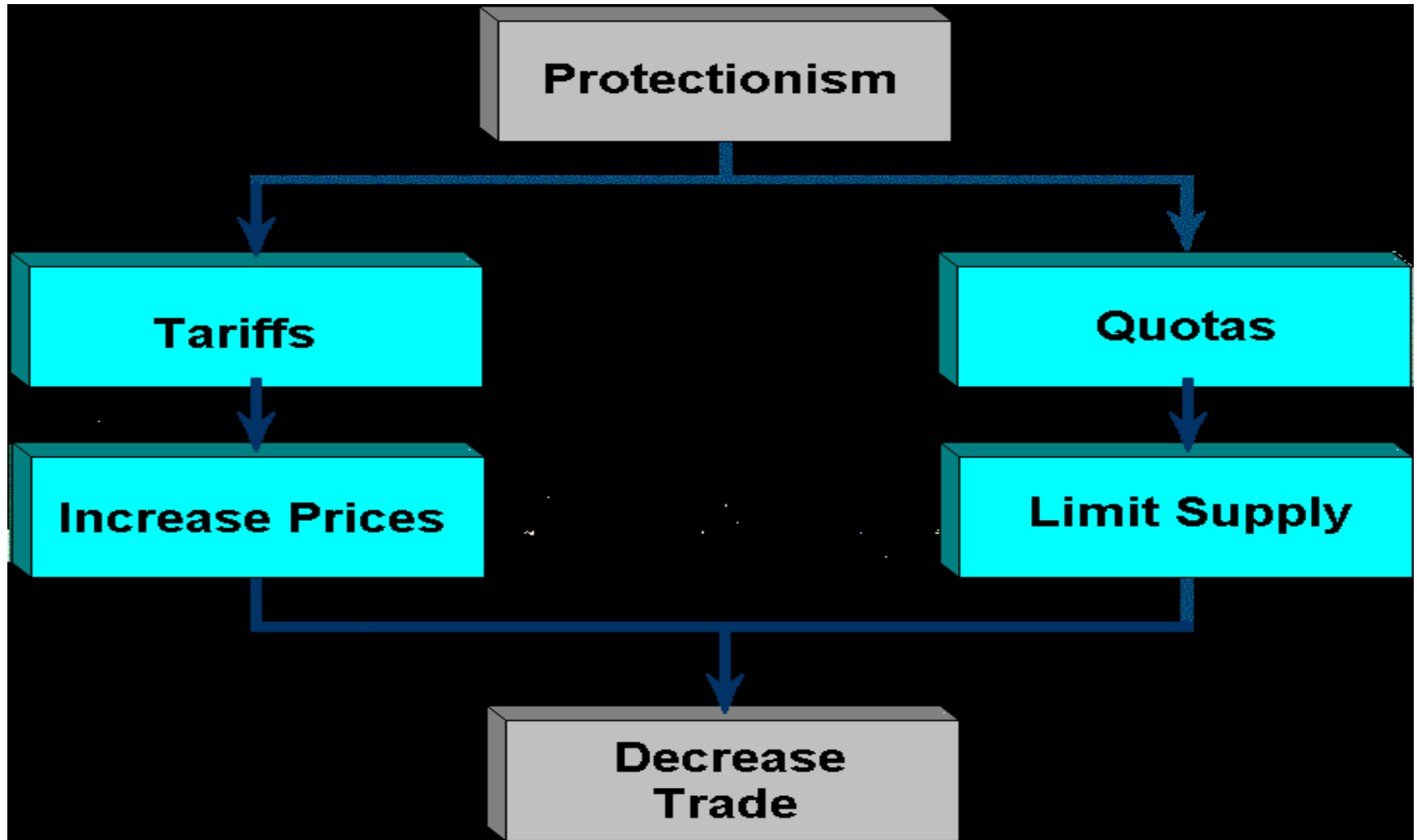
Are self-sufficiency, mercantilism, and economic nationalism the same thing?

- Keynes doesn't think so. He equates economic nationalism with Stalin and Hitler's dictatorships, but wants national self-sufficiency.
- Mercantilism and neo Mercantilism
- Can economic nationalism cover both self-sufficiency and mercantilism?
- We will treat it that way here.....as an umbrella concept

Policies: Protection, Market Control, economic warfare

- Protect the nation's economy from others in the market
 - Tariffs
 - Non-tariff barriers to trade
- Market Control
 - Subsidies
 - Dumping
 - monopoly
- Economic Warfare
 - embargoes
- Retaliation

Protectionism



Policies: Market Control



Policies: Economic Warfare: embargos



What policy you pursue depends on how big you are

- Trade gives small states more benefits than large ones
- Trade enmeshment isn't good for any state's social stability, big or small
- Large states can easily close their markets, small states can't.
- Large states can use their markets to create political influence, leverage
- They can also use their resources to create a liberal international economic system.
 - Can offer it's open market, cheap exports, trade finance,

The liberal response

Rant!



The End