Nationalism and Globalization After COVID-19

By Matthew Gertken, PhD
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Since the Great Recession, investors have watched the U.S. dollar and U.S. equities outperform their peers in the face of a destabilizing world order. Global economic policy uncertainty surged to the highest levels on record as investors faced a decade of political and geopolitical power struggle, financial turmoil, revolution, war, and trade war, culminating in a global pandemic and recession (see figure 1). Although policy uncertainty has subsided from its 2020 peak—and investors have begun to rotate out of U.S. assets—it is not clear how much further it will subside. Geopolitical risk had pushed policy uncertainty to new highs long before COVID. Will geopolitical risk continue to decline in the aftermath of the Donald Trump presidency? If so, the global economy can recover unimpeded, and the rotation into international equities, commodities, cyclical economies, and value stocks can continue enthusiastically.

However, there are two major reasons for believing that geopolitical risk will reassert itself sooner rather than later. First, economic shocks over the past few decades have led to outbursts of nationalism. Taken together, the effect of these outbursts was “the apex of globalization” in the 2010s. Going forward, the ancient trend of globalization will survive, but the period of hyper-globalization that followed the fall of the Soviet Union will not. In this article I suggest we will now see a period of hypo-globalization or under-globalization—an unstable geopolitical setting that will cause negative surprises for financial markets that are currently riding high on sentiment and stimulus.

Second, gargantuan monetary and fiscal stimulus virtually ensure a global economic recovery—and a recovery in globalization—but they also remove the economic limitations on conflict between nations. If government spending plays a larger role in economic growth, then politicians will be less afraid of quarrels with their neighbors.

Moreover, nationalism and the retreat from hyper-globalization no longer depend on trends in the United States and Europe but have shifted to the

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ECONOMIC SHOCKS FUEL NATIONALISM’S REVIVAL

Nationalism is the idea that the political state should be made up of a single ethnic or cultural community. Although many disasters have resulted from this idea, it is responsible for the modern nation-state and has enabled liberal democracies to take shape across Europe, the Americas, Asia, and elsewhere. Industrialization is also feasible under nationalism because cultural conformity helps labor competitiveness.²

If humans could learn to be patriotic without being nationalistic, then there might be a golden mean between national development and international conflict that would be conducive to global peace and prosperity. But investors need to operate within the world they are given. This means casting a wary eye on nationalism or any ideology when it becomes the prevailing trend and threatens to undermine peace and prosperity.

At the end of the Cold War, transnational communist ideology collapsed and democratic liberalism emerged triumphant—only to grow complacent in the lucrative aftermath. Since that time, each successive economic shock or crisis has led to a surge in nationalism to fill the cultural and philosophical gaps in liberal ideology that were exposed by the negative consequences of the shock. Each of these crises differed from the others, but the common thread is that nationalist movements that emphasized economic development were beneficial to a country’s currency and assets, whereas those that resulted in foreign military adventures or fiscal mismanagement were not. Let us look at some examples.

Russian President Vladimir Putin rose to power after the 1998 ruble crisis and has since sought to restore his nation to some semblance of its former greatness. Not every Russian action since Ukraine’s Orange Revolution of 2004 has mattered for investors, but taken as a whole Russia’s conflict with the West has triggered sweeping sanctions that raised barriers to the exchange of goods, services, capital, and people. Russia’s 2014 invasion of Ukraine, its subsequent annexation of Crimea, and its interference in the 2016 U.S. election helped to fuel a rise in policy uncertainty and safe-haven financial assets over the past decade. As figure 1 shows, 2014 was the beginning of a major upturn in uncertainty as a result of Ukraine, Iranian nuclear negotiations, and the oil market share war, each of which featured Russia’s new clout. The trade-weighted ruble has depreciated by 62 percent since Putin’s election in March 2000.

Meanwhile U.S. nationalism surged after the September 11, 2001, terrorist attacks. This surge has since collapsed, but while it lasted the United States invaded Afghanistan and Iraq (see figure 2). The peculiar combination of U.S. fiscal expenditures, monetary accommodation,
and neglect of the actions of China and Russia during the 2000s produced significant global economic and financial consequences. Investors who went long oil and short the U.S. dollar the day after 9/11—or in October 2002, when it became clear that the United States would invade Iraq in reaction—could have done worse. The dollar depreciated by about 25 percent, and oil appreciated by more than 200 percent from this period to the collapse of Lehman Brothers on September 15, 2008. Even today, after a decade-long bull run, the trade-weighted dollar is down by 3 percent since 2001.

The Great Recession spawned new waves of nationalist feeling across the world, in countries as disparate as the United States, China, Japan, the United Kingdom, and India (see figure 3). Conservatives within majority cultural groups returned to power in explosive electoral events. These include Trump’s election and also the huge parliamentary majorities of Japan’s Shinzo Abe and India’s Narendra Modi in 2012 and 2014, respectively, and Britain’s resounding Tory victories in 2015, 2016, and 2019. In non-democratic China, the Communist Party’s revolutionary elite, embodied in General Secretary Xi Jinping, took control of the party in 2012 and purged it of the influence of coastal capitalists, quasi-liberal reformers, and their supporters throughout the bureaucracy and security forces.3

These political changes did not have a uniform impact on markets. As mentioned, U.S. assets outperformed under the nationalist and populist Trump administration due to the global search for growth, tech, and safety. Elsewhere, however, these episodes show that investors should draw a distinction between nationalist movements that seek to revitalize the economy by greater openness to the outside world and those that seek to consolidate domestic power by reducing excessive foreign influence. The nationalist parties in Japan and India, both fairly protectionist countries, sought faster growth and greater openness to trade. Their counterparts in China and the United Kingdom, both trading countries, took a more protectionist line in a backlash against global dependency.

Japanese and Indian equities have outperformed global equities (excluding the United States) by 20 percent and 15 percent from the time when Abe and Modi were elected. By contrast, British stocks underperformed by 74 percent since the Tory win in 2015, i.e., over the course of the volatile Brexit saga. Chinese stocks wound up somewhere in the middle: They beat global stocks by a mere 8 percent from Xi’s rise to power through the end of 2019. Ironically, given that COVID-19 originated in China, Chinese stocks outperformed during 2020 on the back of Beijing’s effective clampdown of the disease and gigantic credit and fiscal stimulus. All

![Figure 3: Nationalist Trends Since the Great Recession in China, United Kingdom, Japan, and India](image-url)
these countries’ currencies have depreciated except for China’s, which had been artificially depressed.

Although these economic shocks and nationalist outbursts differ in detail, taken together they have undermined confidence in U.S. leadership, emboldened Russian and Chinese challenges to the West, weakened the trans-Atlantic alliance, and shaken the stability of the liberal global system.

The United States squandered its moment of global leadership and the Russians clawed back much of the Soviet sphere of influence from the West. The Chinese, learning from Putin’s successes, carved out their own sphere of influence in Asia and broke with the United States. The EU began to create its own sphere of influence, prompting the United Kingdom to withdraw in accordance with its historic grand strategy. The United States and EU also entered a new era of frosty relations.

**HYPER-GLOBALIZATION IN RETREAT**

Nationalism is not necessarily at odds with globalization. Historically there are many periods in which nationalism undergirds a foreign policy that favors trade and eschews military intervention abroad. This was long the default setting of maritime powers such as the British and the Dutch. Prior to World War II (WWII) this pro-trade nationalism was the U.S. setting and after WWII it was the Japanese. But these examples are swamped by the nightmare of the 1900s–1930s, where various nationalisms led to war and atrocity, as well as a collapse of global trade.

Over the past 20 years, the rise of nationalism has worked against globalization. After the fall of the Soviet Union, most of the world accepted internationalist ideals and institutions promoted by the United States that encouraged free markets and free trade. Serious challenges to that system are necessarily challenges to the smooth flow of goods, capital, and people. This is true even if the challenge originates within the United States, as in the case of the Trump administration.

Globalization has occurred in waves over millennia, but there was a dramatic spike after WWII and then a further surge after the Cold War and China’s World Trade Organization (WTO) accession. The best historical evidence suggests that this latter blow-off phase of globalization, or hyper-globalization, has ended. The clearest proxy for globalization—the value of global imports relative to global output—hit a major top with the 2008 financial crisis and failed to rise above this peak at the heights of the most recent business cycle (see figure 4). As figure 4 shows, this shift is likely to be negative for S&P 500 companies’ earnings because they have benefited greatly from the low-wage, low-tax, low-regulation backdrop of hyper-globalization.

Going forward, the ancient and general process of globalization will continue, at least until there is a world war or total breakdown in cross-border relations far beyond that witnessed during the COVID-19 lockdowns. But hyper-globalization will not return. Instead, it will be replaced by something else: hypo-globalization, or a world that is globalizing more slowly than before 2008 and more slowly than it is capable of doing.

Importantly, the new business cycle will include a huge upswing in trade in the coming years. Global stimulus since the accession.
The pandemic has amounted to 7.4 percent of global gross domestic product (GDP) in fiscal measures and 6.1 percent of global GDP in liquidity support, according to the International Monetary Fund as of October 2020. These totals are still rising—the United States alone has passed $900 billion in fiscal relief and has proposed $1.9 trillion in additional government spending since October 2020. Taken with zero interest-rate policy and quantitative easing from the major central banks, this explosion of stimulus will put global growth back on its feet.

Yet global trade still may fail to surpass its previous peaks as a share of global output. There is no substitute for the U.S. credit–fueled consumption boom and China’s production boom of the 1980s–2000s. China would need to fling open the doors of its consumer economy to foreign producers and India and other emerging markets would need to speed up development and industrialization. This is possible, but the policy setting is not conducive as things stand today. China’s five–year plan for 2021–2025 points toward economic self-sufficiency. The demographic–driven slowdown in the global trend growth will encourage various governments to protect their domestic markets.

Political demands to protect workers and industries will if anything gain ground. Anti-dumping measures and non–tariff barriers remain at or near the highest levels since the WTO began. Policy–makers in China and Russia already were shifting toward import substitution, but now the United States and EU are joining them, at least when it comes to strategic sectors (especially health and defense). One of President Joe Biden’s first acts as president was to direct government agencies to “Buy American”—and this was fully expected.

One major driver of the backlash against globalization is wealth inequality, which is not easily corrected. The United States and the United Kingdom may embark on a transition toward more redistribution, but inequality is at high levels and redistribution is a long and arduous process. It requires policies that not only tax the high–earners but also lift up the low–earners. Inequality also is rife in China and the developing world, where good governance and equal opportunity are lacking. Over the past few years, emerging economies such as Brazil, Indonesia, Mexico, and South Africa have started to lose enthusiasm for trade openness.

Immigration is another headwind to hyper–globalization. The United States and EU have faced an influx of refugees and immigrants crossing their southern borders and have resorted to hard–nosed tactics to reduce the flow. In Europe, this trend is unlikely to change anytime soon because the political elite have discovered a way to defend European integration and fend off populist parties by cracking down on immigration. In the United States, the Biden administration has reversed its predecessor’s crackdown on the southern border, but its eventual attempt to pass immigration reform through Congress will fail if border security measures are excluded. Indeed, one way the Biden administration could revive the nationalist Republican Party would be to return to a blasé attitude toward illegal immigration.

Might globalization proceed in services if not in the movement of goods or people? As figure 5 shows, the world is more interconnected than ever in this respect. Nearly half of the population uses the internet—almost 30 percent in...
Sub-Saharan Africa. One in every two people has a smartphone. The pandemic has improved digital interactions across the world and this will continue even as global travel and tourism resume. Nevertheless, trade in services still faces headwinds.

Services often are non-tradeable, they are critical for employment, and they are backed by powerful domestic lobbies. It requires even more political will to break down barriers for service sectors than for goods, as the United States has found in China and the United Kingdom has found in the EU.

The desire of nations to control and patrol cyberspace has resulted in separate internets for authoritarian states such as Russia and China. Beijing began squeezing out U.S. tech companies and digital services as early as 2010. The United States has just started to return the favor. Dictatorships as well as democracies are turning to censorship and content controls to protect their reigning ideologies; this is happening even in the United States, where the rights of freedom of speech and the press are more firmly established than elsewhere.

What about recent trade agreements such as the Regional Comprehensive Economic Partnership (RCEP), the EU–China Comprehensive Agreement on Investment, and phase one of the U.S.–China Economic and Trade Agreement? What about the potential for the Biden administration to rejoin the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP)? Do these major deals not suggest that globalization will recover in the 2020s?

Major trade deals will get some new life in the 2020s, but they will be subject to geopolitical competition, spheres of influence, and regionalization. The RCEP, for example, is a traditional free trade agreement that lowers tariff levels that already are low and will take 10 years to implement if it is ratified. The CPTPP will indeed see new life if the United States rejoins, which is probable, but its purpose is to create a trade club that excludes China—and the inclusion of South Korea and especially Taiwan will provoke conflict with China. Thus, the CPTPP typifies how spheres of influence will replace hyper-globalization with hypo-globalization.

These and other deals should be monitored carefully to test whether globalization can recover and reach new highs in the 2020s. Most of these deals are subject to whether governments are disposed to implement them in good faith. A critical test will be the policy setting in the United States and China, and so to those two countries we will now turn.

U.S. NATIONALISM SUBSIDES FOR NOW

The United States experienced a Civil War Lite in 2020, the aftershocks of which will be felt for years. It is easy to believe that the victory of Joe Biden and the Democratic Party marked a triumph of liberal internationalism over nationalism, but the truth is more complex. It is too soon to declare U.S. nationalism dead.

First, the Democratic Party needed to co-opt parts of Trump’s protectionist agenda to win the election, namely by calling for onshoring of manufacturing and diversifying away from China. Second, a Republican candidate more favorable than Trump, or conceivably even Trump himself, could win the White House in 2024. Trump won 47 percent of the vote despite a pandemic and recession. The Grand Old Party will continue with Trump’s agenda of trade protectionism, tight border security, and fiscal largesse.

Trump’s loss does suggest that U.S. nationalism will not be the driver of global nationalism in the coming four years. Democrats and Republicans summoned up all of their strength in 2020, voter turnout reached the highest level since 1900 at 67 percent, and the Republicans were found wanting. Democrats enjoy a larger political base, and one that is favored by the country’s demographic trends, so they are in the White House until 2024 and have strong prospects for a longer stay.

With Biden in office, the risk of a truly global trade war will melt away. Biden will restore the Obama administration’s approach of trade favoritism toward strategic allies and partners, such as Europe and members of the CPTPP, and he will eschew unilateral broad-based tariffs of the sort that Trump brandished. Biden will work with international organizations such as the United Nations and WTO. His foreign policy will seek to open up Iran and Cuba, and he could build on Trump’s policy toward opening up North Korea.

In other words, Biden will not be anti-globalization so much as tough on China. He will take a harder line on Beijing than Presidents Obama or Bill Clinton, because the consensus in Washington is now hawkish. Biden will need to keep the blue-collar Midwestern voters he won back from Trump. He will keep most of Trump’s tariffs in place as negotiating leverage. After all, the largest tariffs were based legitimately on countering intellectual property theft and forced technology transfer. By contrast, there is zero chance Biden will slap arbitrary, Trump-style, broad-based tariffs on Europe or Mexico.

Even for trade with China there is a clear upside. First, Biden will utilize a renewed commitment to the Paris Climate Accord to engage Beijing. Second, it will take years for Biden to put together a coalition of allies to pressure China over its mercantilist or protectionist trade practices. The Europeans always have been lukewarm toward such a project. Outgoing German Chancellor Angela Merkel already has undercut Biden’s aims by overseeing a comprehensive European investment agreement with the Chinese and renouncing the formation of blocs or alliances.8 China does not face concerted pressure to undertake liberal structural reforms and it retains...
control of the pace of opening its market. Eventually a grand alliance of democracies will take shape in reaction to China’s ambitious aims of dominance in the Asia Pacific region, but in the meantime global trade will expand—even as the United States and China take precautions against each other by reducing bilateral dependency. Trade that they block will be rerouted through third parties.

While U.S. nationalism is on hold for the next four years, the Biden administration will have a more protectionist bent than previous administrations before Trump. Meanwhile, the United States and the West still will need to react to nationalism in China and Asia, which will keep U.S. nationalism simmering in the background. A foreign policy humiliation, particularly at the hands of a nationalist and mercantilist China, is the clear pathway to a revival of the Republican Party, which is otherwise divided over Trump’s legacy and agenda.

Punitive measures will remain a U.S. tool. Contrary to popular belief, the United States is not attempting to eliminate its trade deficit. It is attempting to reduce overreliance on China. The status quo of pro-China hyper-globalization is intolerable for U.S. security and economic strategy. But economic self-sufficiency (i.e., autarky) is intolerable for U.S. corporations and the Democratic Party. The compromise is globalization except China, i.e., continuing with the economic divorce observed since 2008.

**CHINESE NATIONALISM: THE UNDERRATED RISK**

The nationalist risk to globalization is most significant in East Asia and the Pacific, where Chinese nationalism continues the ascent that began with the country’s post-2001 economic boom and especially the rise of Xi in the wake of the Great Recession. Should Xi change policy direction, follow through with promises to the United States and EU to open China’s domestic market, and embrace the agenda of liberal reform that his government issued in 2013, then Biden and Xi would have a basis to re-engage in a way that would boost overall globalization over the next decade. Don’t bet on it.

China’s potential growth rate is slowing over the long run as a result of sharply declining growth in the labor force and falling productivity. This secular slowdown has weakened the Communist Party’s confidence in the long-term viability of single-party rule. The reaction has been a shift in the party line to promote state ideology and quality of life improvements to compensate for slower income gains. Xi’s governing philosophy consists of aggressive territorial claims, a consumerist “China Dream” for the middle class, aggressive technological acquisition, and ambitious goals of global influence by 2035 and 2049 (the 100th anniversary of the People’s Republic). The new mantra of “dual circulation” is a byword for import substitution.8

A serious geopolitical risk follows directly from China’s nationalist policy turn. As early as the Sunflower Movement in Taiwan in 2013 and the Umbrella Protests in Hong Kong in 2014, it became clear that this reassertion of the supremacy of Beijing and the Communist Party would not sit well with China’s autonomous regions and neighbors. Critically, Taiwanese political aspirations and identity have diverged sharply from those consistent with the mainland, an alarming trend (see figure 6). Taiwan’s turn away from Chinese identity has occurred

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**CHINESE NATIONALISM POINTS TO CRISIS IN TAIWAN STRAIT**

**TAIWAN TERRITORY**

Public Stance on Political Independence and Unification

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<td>2014</td>
<td>50%</td>
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**TAIWAN TERRITORY**

Public Opinion on Identity

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<td>2010</td>
<td>62%</td>
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<tr>
<td>2014</td>
<td>74%</td>
<td>26%</td>
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<tr>
<td>2018</td>
<td>86%</td>
<td>14%</td>
</tr>
</tbody>
</table>

* Unification includes unification now and status quo (move toward unification); ** Independence includes independence now and status quo (move toward independence).

Source: Election Study Center, National Chengchi University

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Despite the obvious economic costs to the Taiwanese. It is largely a reaction to the surge in mainland nationalist sentiment, which cannot be shown through opinion polls (there are none) but only through state policy and rhetoric.

This conflict of nationalisms in Greater China is the epicenter of geopolitical risk going forward. Beijing has largely quelled the resistance to its supremacy in Hong Kong, a city-state that has no conceivable alternative to the mainland. But Taiwan has not yet been subdued and does conceivably have an alternative to Beijing’s dominance. It is geographically and politically autonomous and has a technological and defense relationship with the United States. And Washington is trying to revitalize this relationship now that it has recognized the urgent need to counterbalance China. This situation is a recipe for a geopolitical crisis or even a world war.

China is willing to go to war to prevent Taiwanese secession. Xi has changed the party’s official policy to allow for a continuation of recent military pressure on the island. He insists on the “one country, two systems” model that he already has overturned in Hong Kong and that the Taiwanese reject, and he says reunification is inevitable within the context of his vision for 2035. Slower growth and nationalism create the conditions in which the regime could be pressured into ever more aggressive policies against a defiant island.

Taiwan is the critical source of the most advanced and efficient computer chips essential to both the U.S and Chinese economic futures. This “Silicon Shield” used to be the island’s security guarantee, but now that the United States is tightening export controls and high-tech sanctions on China, Beijing fears a technological blockade and has a greater incentive to seize control of the island. This makes Taiwan vulnerable to war, at least until China succeeds in poaching its advanced semiconductor manufacturing capabilities and the United States and other countries create alternative supply chains. A fourth Taiwan Strait crisis, a major show of force with or without sunken ships, is highly likely in the short run even if Washington and Beijing somehow prove wise enough to avoid an outright military conflict. Ultimately the United States and China are both nuclear-armed states and thus face mutually assured destruction in the event of total war.

Outside of Taiwan, Chinese nationalism is prompting it to encroach on the borders of all its neighbors simultaneously, creating a nascent balance-of-power alliance ranging from India to Australia to Japan. It is also possible that U.S. domestic political polarization will decline as the public gradually unites in the face of this common rival. On the other hand, if U.S. divisions persist, they could drive the United States to instigate conflict with China, which started to occur under the Trump administration. Thus, a failure of either side to restrain itself poses a clear and present danger to global trade and political stability.

Ultimately the United States and China are both nuclear-armed states and thus face mutually assured destruction in the event of total war. But they likely need to clash with each other first—whether directly or in proxy battles—to learn their limits. The Cold War provides many occasions of such a learning process—from the Berlin airlift to the Cuban missile crisis to the Vietnam war.

A miscalculation over Taiwan or technology could ignite tariffs, sanctions, boycotts, embargoes, saber-rattling, proxy battles, or even direct conflict among the United States, its allies, and China. This risk is elevated in the short run as well as the long run. Therefore, it is the chief risk to the current consensus view of a dollar bear market and global cyclical upturn.

The U.S. dollar is falling in the face of ballooning twin deficits, a logical consequence of the Federal Reserve’s ultra-dovish monetary policy and the Biden administration’s fiscal largesse. But the United States still has strong growth in today’s high-flying, stimulus-fueled, global financial markets. Typically, geopolitically induced stock market crashes are short-lived and present buying opportunities for equity investors. But the negative shock to earnings and sentiment will be longer-lasting if the Asian manufacturing supply chain is permanently damaged or the shifting of supply chains out of China becomes rapid and disorderly.

**INVESTMENT IMPLICATIONS**

U.S. equity market capitalization has peaked at nearly 60 percent of global market capitalization (see figure 7). This high level of global equity share reflects slow growth, disinflation, the strength and innovation of U.S. companies (especially tech companies), and the worldwide flight to safety after a decade of rising policy uncertainty and geopolitical risk.

By contrast, the revival of global growth on the back of COVID vaccines and stimulus, the exorbitant expansion of U.S. money supply and government spending, and reasonable expectations that the Biden administration will moderate U.S. trade policy have all prompted a rotation out of U.S. equities and the dollar and into international and emerging market equities and currencies.

Broadly, we would favor this rotation as the prevailing trend over the coming years. But the clear risk to this view is that Chinese nationalism will overreach.

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prospects relative to the EU and other competitors; its rule of law has been reaffirmed after the chaotic 2020 election, and a clash with China inevitably would fuel global policy uncertainty and safe-haven demand for the dollar. Unlike Japan in 1985, China will not commit to sweeping structural reforms or unilateral appreciation of its currency for fear of U.S. economic, technological, and military sabotage.

As the United States divorces from China, it will have to deepen relations with other trading partners. The trade deficit will not go away but will be redistributed to Asian allies. Southeast Asian nations and India—where nationalism has created a shift in favor of economic development and openness—will be the long-run beneficiaries.

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ENDNOTES

1. I wish here to acknowledge a debt of gratitude to my former and current colleagues at BCA Research, particularly Marko Papic, Mathieu Savary, and Anastasios Averigou, for their insights on the debate over globalization. They deserve credit for many of the insights in this article, but I alone deserve blame for its defects. For the theme of globalization in retreat, see BCA Research Geopolitical Strategy, “The Apex Of Globalization—All Downhill from Here” (November 12, 2014); The Bank Credit Analyst, “The Debt Supercycle R.I.P. Now What?” (December 18, 2014); and Global Investment Strategy, “Trumponomics: What Investors Need to Know” (September 4, 2015). Each is available at bcaresarch.com.


6. Mercantilism is “economic nationalism for the purpose of building a wealthy and powerful state.” See Laura LaHaye, “Mercantilism,” Library of Economics and Liberty, www.econlib.org. About alliances and blocs, Merkel said: “I’d very much wish to avoid the building of blocs … I don’t think it would do justice to many societies if we just say this is China and there is the United States and we are grouping among either one or the other. This is not my understanding of how things ought to be.” See Jun Mai, “Merkel backs Xi on need to avoid new cold war, but presses China on human rights, transparency,” South China Morning Post (January 27, 2021), https://www.scmp.com/news/china/diplomacy/article/3119481/merkel-backs-xi-need-avoid-new-cold-war-presses-china-human.


