GLOBALIST NATIONALISM: A THEORETICAL APPROACH TO THE NATURE OF NATIONALISM IN THE MODERN GLOBAL POLITICAL ECONOMY

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Abstract
Stressing the evolutionary nature of nationalism and the global market economy, this study explores the possibility of the rise of a nationalism that is adapting to globalization and global integration of the market economy. It suggests rather than weakening nationalism, the modern global political economy is shaping a new form of nationalism: A globalist nationalism that complements the economic policies of globalising states and sub-state nations.

Keywords: Minority Nationalism, Sub-State Nationalism, Globalization, Globalisation, International Political Economy, Global Political Economy

Introduction
A great part of literature on nationalism predicts its demise because of its inconsistency with the globalist nature of the dominant capitalist political economy. On the contrary, others argue that, if anything, nationalism has strengthened in recent history. Stressing the evolutionary nature of nationalism and the global market economy, this study explores the possibility of the rise of a nationalism that is adapting to globalization and global integration of the market economy.

Building on a broad-based socio-historical and political economy analysis, this article explains the characteristics of the emerging nationalism. It argues that the new global economic order is gradually undermining the economic and socio-political structure that sustained the classical nation-state and nationalism. It suggests that the formation of autonomous nation-state among nations without the state is currently taking place in the context of global integration of markets, where the associated economic restructuring provides opportunities to sub-state nationalists for promoting their nationalist
agenda. Consequently, rather than weakening nationalism, the modern global political economy is shaping a new form of nationalism: A globalist nationalism that complements the economic policies of globalising states and sub-state nations.

**Historical Background: Factors that Contributed to the Emergence of Nationalism and Nation-States**

**The Demise of Old World Order Identities**

The ancient Egyptians, Persians and Romans had characteristics similar to modern nations and their empires' bureaucratic structures fulfilled some of the functions of the modern state. However, despite such similarities, they clearly did not constitute nation-states in its modern sense. These empires were built around the divine statues of their pharaohs, *shahs*[^33] and emperors, who supported their position with their military might. These rulers ruled their subject people on the basis of a heavenly mandate, irrespective of their subjects' colour of skin, language, or social class. The people were ‘subjects’ living on loosely demarked territories of empires and kingdoms as ‘nations’ that was comprised of heterogeneous and diverse collections of people.

After the rise of Christianity and Islam, which gradually spread throughout the Middle East and Europe, the temporal rulers used these religions progressively to consolidate their position and their socio-political domination which had already taken a religious nature. Religion-based social identities such as *Umma*[^34] gradually emerged and similar religious affiliations of subject peoples united the empires’ constituent parts. Orthodox Christianity and Catholicism played key roles in the legitimisation of the Byzantium and the Holy Roman Empires, respectively. In the Islamic world, Sunni Islam played a leading role in consolidating the dominance of the Ottoman Empire across the Middle East; and Shia’ism was an important factor in solidifying the power base of the Safavid Dynasty in 16th century Iran.

From the 13th to 15th centuries, the Italian city-states jealously guarded their liberties and independence which the growing power of the Papacy was undermining.[^35] These city-states promoted republicanism and

[^33]: Persian for King
[^34]: Arabic for Islamic nation
[^35]: Skinner suggests that the separation of Church from the State is the product of a historical power struggle between Church and secular rulers. According to him the Catholic Church gradually attempted to extend its spiritual rule into a temporal one and the temporal rulers looked for ways to protect themselves from the Church through solidifying and legitimizing their power base. According to Skinner, Reformation was the catalyst of these historical processes and he argues that:
challenged the existing legitimizing principle of ‘divine rule’. In the 16th and 17th centuries, civil and religious conflicts engulfed Europe. According to Luard, “in the years between 1559 … and 1648 (the year of the Peace of Westphalia) there were 112 wars in Europe” (Devetak, 2007, p. 128). These events contributed to the creation of favourable historical conditions for radical changes. In this period of the history of the European state – itself a relatively new concept36 – Christianity was weakened by the materialistic and rational spirit of an emerging new world and the gradual expansion of free market economies in the western societies. The cumulative impact of these historical changes undermined the principle of legitimacy of temporal rule based on a divine mandate and prepared the ground for the emergence of a new world order based on the sovereignty of the people that was pursued later in the French Revolution and its announced mission in spreading liberty, equality and fraternity.

**Modernity and the Creation of an Ideological Vacuum**

The spread of industrialization, modernization and rationalism in Western Europe, undermined the established historical relationship between monarchs and their subjects and shook off the established mode of socio-political organization. These deep-seated changes weakened the dominant religious power bases and created the need for secular substitutes for declining religious ideologies.

The cumulative impact of these historical evolutionary processes strengthened the case for ‘people’ becoming the legitimizing basis for the temporal rule and prepared the foundation for the birth of nationalism. According to Mount, “the sixteenth-century doctrine of *cuius regio eius religio* (whose rule, his religion) was adapted to the norm of *cuius regio eius nation* (whose rule, his nation) … by Napoleon and the Congress of Vienna in 1815 … [and] sovereignty now rested neither with popes, nor with princes but with the people” (2007, p. 138). The recognition of people as the

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36 According to Devetak, “Quentin Skinner (1989) has demonstrated, it was only in the sixteenth century that the word state acquired a meaning close to the modern sense, refereeing to an abstract, impersonal entity, separate from the person of prince” (2007, p. 123).
legitimate source of power combined with a new spirit: 37 the spirit of nationalism undermined religious identities and transformed the consequent processes of nation-building.

Nationalism constituted a secular ideology for reorganization of European societies while having a clear socio-political utility: the creation of common identities in the societies that were divorced from their religious spiritual history. Similar to religion, nationalism provided a substitute that addressed the need for belonging, it created new social identities and it satisfied people’s psychological, organizational and economic needs in a state-centric political economy.

On the personal level, nationalism solidified a sense of self in time and space by placing the individual within a ‘nation’. These multi-functional capabilities of nationalism led to its worldwide expansion; it was created where it did not exist and it became more powerful where it had already been established. Nationalism emerged as an effective ideology: a secular religion that fulfilled most of the functions of religion of earlier ages. Even in countries where the traditional socio-political systems were not seriously weakened, nationalism acted as a unifying force that crossed the existing socio-economic divisions, within their territorial boundaries.

The Evolution of Capitalism, the Need for Structural Economic Changes and the Role of the Elite

Nation-State building trajectories are influenced by the vision and interests of the political/economic elites of the time. The mercantilist states upheld the interests of their mercantile class through export-oriented economic policies that aimed at protecting them from external competition. By presenting trade as a zero-sum game, the British mercantile elite mobilized their state and societal capabilities for the protection of their economic interests while presenting mercantilist economic policies necessary for protecting national interests. However, when it became harder to contain the expanding British markets within their political boundaries, these policies were strongly criticised. The disapproval of the mercantile economic system is well documented in the works of classical economists, such as Adam Smith. The need for new markets, division of labour and trade on a global scale, were incompatible with the mercantile policies of Smith's time; despite their earlier role in protecting England's infant industries and

37 Hegel sees the “state as the spirit of a nation” (Nakano, 2004, p. 46). However, the new spirit mentioned here, refers to a process where nationalism transforms the old world order’s identities into the qualitatively different emerging national identities at the age of nationalism. This evolutionary process links the individual to a bigger-than-self national identity and a nation that presents itself as a timeless entity grounded in history.
industrialization of the country in general.

Similarly, the nation-state building projects that were carried out in the age of economic nationalism were informed by the need for establishing national economies which in turn required homogenization of the other aspects of existing socio-political order to facilitate economic development. On the whole, nation-state building projects were designed by nationalistic elites and were gradually spread among lower social strata through apparatuses of the state. The transformation of the ideological base of a subject society through nationalist ideology was not necessarily the full actualization of the elite’s ideal nation. At the practical level, nationalism transformed the subject society pragmatically because of the influence of each society’s historical and cultural peculiarities.

**Nationalism in the 20th Century**

The historical transformation of identities of the old-world-order into nationalistic identities became clearer after the collapse of empires in WWI. During this period a grand shift from religious to nationalistic identities occurred in many places. For example, in the emerging post-Ottoman Turkish state, there was a fundamental shift from the prior religiously-based identification of the Sultan’s ethnically diverse subjects to ethnically defined citizens of the emerging secular Turkish state. These changes effectively meant that the *Osmanlis* 38 became Turks, Arabs or the Kurds as the religious foundation of Ottoman Empire weakened and the popular perception of what constituted a ‘nation’ radically changed.

These changes had important implications for the new Turkish state. The mechanism which united the vast Ottoman Empire derived its logic from dynastic sovereignty by having religion as the bonding force among its subject peoples. To the Ottoman Turks “there were only Moslems and Infidels and the Turk called himself ‘Moslem’ not ‘Turk’” (Bedr Khan, 2004). Religion was central to people’s identity and this was how people were identified and categorized by the Ottoman rulers.

On the contrary, the post-Ottoman Turkish state was secular in its worldview and ethno-nationalistic in its practices. Although the concept of ‘Turkishness’ was designed to incorporate people from diverse ethnic backgrounds, the non-Turkic people were defined as Turks with an increasing emphasis on Turkish ethnicity. New policies left little room for other ethnic groups to express their ethno-cultural distinctiveness and alienated the non-Turkic citizens. The emerging Turkish ethno-nationalism,

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38 “Of or belonging to the family or dynasty of Othman or Osman I, or to the branch of the Turks to which they belonged: (also) of or belonging to the empire ruled by them until 1922” (emphasis added, Oxford English Dictionary, 2008).
combined with the secular policies of the Turkish state, deprived the
Ottoman people of their old identities without creating an alternative that
could satisfactory include the diverse citizenry of the new state. While the
Turkish nationalist elite played a key role in the shaping of modern Turkish
nationalism, it was the historical preconditions that made such an elite
project feasible. The other states that emerged from the ruins of the Ottoman
Empire followed policies that were similar to that of the Turkish state and in
line with international popularity of building ethnically-based nation-state.

Furthermore, from western capitalist countries’ perspective, nationalisms
was seen as a force that could limit the global spread of socialism that had emerged in the Soviet Union and therefore its promotion
was in line with their strategic interests. The major western powers saw
secular nationalism as a less threatening mode of socio-political organization
compared with the aggressive and revolutionary socialism of the Soviet
Union. A nationalist approach to economic development diverted the popular
attention from class differences and assisted in the integration of national
market economies. Nationalism united the masses while leaving the internal
economic divisions relatively untouched. In these historical circumstances,
nationalism became a religion in disguise, an ideology with emotional
energy and fanaticism similar to that of religion. This radicalism manifested
itself well in the fanatical nature of the nationalism of the early 20th
century in Germany, Italy and many other places.

Nationalism not only provided states with a unifying force and a
means for political expediency, but it also filled a religious spiritual vacuum
by its secular ideology which better suited Nietzsche’s godless new world.

Nationalism and Nation Building

The collapse of empires marked the end of incorporative socio-
political entities and facilitated the emergence of less accommodating ethno-
centric nation-states. In cases where the local ingredients required for nation
building were not in place, new nation-states were built by using the
remaining bureaucratic apparatus of colonial powers on the geographical
boundaries of colonial interests and based on the imported nationalist
ideology of their colonisers. For example, Indian nationalists recreated the
Indian nation in English language, the language of their English colonisers.
Britain created Iraq from the ruins of the Ottoman Empire and the boundaries
of Iraq were formed on the basis of British imperial interests and the reach of
its military capabilities. English became the effective national language of
many countries, because the tribal nature of many these societies meant that
while there were numerous local languages, either none was dominant or it
was politically risky to impose a major regional language on the entire
subject population of artificial nation-states. The western states and those
who mimicked them in the developing world exaggerated aspects of their history to shape their nation. The “imagined political community” was not created only on the basis of print capitalism, as Anderson, suggests, but also by sideling inconsistent historical facts, construction of myths and a selective approach to collective historical memories (Anderson, 1991, p. 6, quoted in Erikson, 1993, p. 99).

The Relation between Nationalism, Nations and the State

According to Hegel, nation and nationalism are the products of the state where “…and nationalism as subjective will is the source of the power of the nation-state” (Nakano, 2004, p. 49). While Max Weber has famously argued that state formation is closely linked to monopolization of the legitimate means of violence. If Weber is right then a state could not have ignored the efficiency of the monopolization of ideas in the form of the ideology of nationalism that could easily channel popular energies for ‘reasons of state’. The deadly nature of such ideological efficiency is manifested in Hitler’s Germany. Furthermore, states could not ignore the economic efficiency of a unified language, legal system and bureaucratic structure that were aligned with their needs at the age of economic nationalism. Therefore they actively participated in nation building to achieve national uniformity in the mentioned areas. Consequently, the Westphalian state was naturally intolerant of cultural diversities among its subject people as its bureaucratic universalism required a more systematic, coherent and centralized approach to who constituted ‘the people’. The Westphalian state's intolerant egalitarianism contributed to its suppressive policies and such states' increased hostility toward cultural and linguistic differences.

The Westphalian states' nationalist economic policies encouraged uniformity and social cohesion. According to Wimmer and Min:

Modern nation-states are ruled in the name of a nationally defined people, in contrast to empires, which govern to spread a faith across the world, to bring civilization to backward people, or to advance the world revolutionary causes. The institution of the nation-state thus introduces incentives for political elites to privilege members of the national majority over ethnic minorities, and for minority elites to mobilize against such political discrimination. (2006, p. 867)

The Westphalian states’ reliance on ‘people’ as the source of political legitimacy inevitably led to defining the boundaries of its people at linguistic, ethno-cultural and geographical levels with a historically

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39 Anderson (2006) singles out the emergence of print capitalism as an important factor that led to the emergence of Nationalism.
unprecedented precision. When attaining the desired uniformity and the clear-cut boundaries of ‘people’ was difficult, ethnic cleansing became a method for achieving this end. The overall process created the desire for the creation of ‘imaginary nations’ that were ‘racially’ and culturally pure. The quest for ethnic purity led to a desire for purifying the existing nation of their genetic pollution in some places. This is evident in Hitler’s treatment of Europe’s Jewish population.

Smith separates the ‘nation’ from ‘nationalism’, as according to him, only the latter is an “undoubtedly modern” phenomena (2002, p. 7). To Smith, a nation has an ancient core: ethnie (2002, p. 16) which includes:

… a self-designated collective proper name, myths of origin, migration and election, an ethno-history including memories of sages, heroes, and golden ages, one or more elements of shared culture, including perhaps a link with a particular ancestral terrain, and a measure of social solidarity among , at least, the elites. (2002, p. 25)

For Smith ethnie “represents a vital development in the formation of nations” (2002, p. 25). Although in many cases the core ethnies constitute the basis for building nations, as argued earlier, nationalism injected new cultural and psychological content into Smith’s ethnie and the consequential creation: the nation. By their nature, the ‘ethnies’ were of a spirit alien to modern nations. Ethnies were shaped on the basis of an extended form of tribalism, shared historical experience, or similar religious and linguistic backgrounds. Nationalism recreated ethnies and made them indistinguishable from their historical predecessors by injecting into them the spirit of nationalism. The ideological construction of a collective identity rooted in an ‘imagined community’ and represented by an impersonal state. In cases of nations without states, the desire for having their own representative state gradually intensified as, at the age of nation- states, that was the only way for international recognition of a distinct national identity. It was not incidental that during and after the collapse of the Ottoman Empire the Kurdish desire for their representative state became more intense and vocal.

On the whole, while there is a close link between state and nation and they intimately influence each other, there is no universal pattern that indicates how these two interact. It is possible for a state to form a nation and a nation to form its own state and this in the recent history, has often happened through the use of nationalism. But what is important to remember is that the associated nation or state building processes are often heavily transformed by economic, social and political circumstances in their particular time and space.
Nationalism, Nation and Collective Identity

Providing individuals with a social platform to express their natural tendency toward the formation of a collective identity in the form of belonging to a nation makes nationalism attractive to the masses and it constitutes an important function of nationalism. According to Erikson:

at the identity level, nationhood is a matter of belief. The nation … is a product of nationalist ideology; it is not the other way around. A nation exists from the moment a handful of influential people decide that it should be so, and it starts, in most cases, as an urban elite phenomenon. In order to be an efficient political tool, it must nevertheless eventually achieve mass appeal. (1993, p. 105)

Among ethnic majorities state-sponsored nationalism proved capable of incorporating the socio-psychological functions of pre-modern religious identities in the form of national identities. Hegel saw nationalism as a moral necessity which was needed for the self-actualization of human freedom. He argued that “the right of subjective freedom creates the nation-state … since self-consciousness can be attained only through mutual recognition within the community, [and] morality requires a certain form of community” (Nakano, 2004, p. 45). Nationalism provided a social category that individuals could identify with in their relations to others. At the core of this identity lays human beings’ image of themselves in time and space and their relation to fellow human beings which give emotional depth and meaning to an individual’s mode of existence. It provides a sense of continuity in time and emotional belonging to a social space like a nation and a geographical space like a country.

According to Mount:

Manning Nash … observes … [the] connection with the past is reassuring at a deep symbolic and psychological level; ‘the idea of a discoverable, fixed, comfortable, and historically continuous identity is highly charged with psychic rewards and appeal … Ethno-histories help to construct a sense of community in a number of ways. At an individual level, the identification with an eternal community is the surest way to surmount the finality of death and secure a measure of personal immortality. (2007, p. 139)

Of course, the immortality of nation is a myth as, historically speaking, nations are born and they die. Nonetheless, it seems that people need the myth of eternity for grounding individual identity in the seemingly timeless historical continuity of the nation. Linking the modern with the ancient is a way for legitimization and historical grounding of collective identities.

The identity function of classical nationalism provides an important explanation for its durability and resilience in the face of the globalist
economic forces that are undermining nationalism in the modern world and are well-documented in modernist literature on nationalism. Anchoring individual identity in a social uniqueness (i.e. a nation) manifests an individual’s quest for recognition and emotional security; but it is not only limited to satisfying such psychological needs. Nationalism can also be used as a political tool for promoting individual and group interests; a medium for elite self-promotion or a quest for physical security through collective efforts.

Globalizing State and Sub-state Entities and the Emergence of a Globalist Nationalism

The basic argument so far has been that various socio-political and economic factors contributed to the establishment of nation-states through forces of nationalism, itself a product of particular historical circumstances. Such a historical insight suggests that structural global economic changes can alter the foundations that sustain nation-states and that nation-building projects in our time are influenced by current economic conditions and the socio-political interests of the modern nationalist elite which are addressed below.

The Impact of the Globalization of Markets on Nations and Nationalism

The intensity of modern global economic transactions characterized by the globalization of the production processes has altered the economic basis that has, so far, sustained the classical nation-state in many parts of the world. Global integration of the market economy has created a multinational and multiethnic mode of existence in many regions. In countries such as the United States, Canada and Australia such a mode of existence is more noticeable as these countries have a large annual intake of migrants who are accepted mainly to sustain and expand these countries national markets. Similar processes are occurring in the other parts of the world to various degrees because of a higher volume of global trade and economic transactions. The globalization of production processes is a consequence of further global division of labour, the movement of capital and labour to the most productive corners of the world and expansion of global markets in general.

Modern economic conditions require a compatible socio-political organisation that may alter the way the established nation-states have so far operated and influences the way new nation-states are formed, and they have changed the nature of nation-state and nationalism of our times. In many developed countries, both state and sub-state nationalist policies (and their associated majority and minority nationalisms) are transformed by the strategic importance of globalizing economic policies and global economic
integration. This is widely the case in Quebec, Scotland and Catalonia with their respective host-states of Canada, the United Kingdom, and Spain. Most importantly, sub-state politicized economic policies in these countries depend on their host-states being under the pressure of similar structural economic imperatives. If a host-state is not seriously affected by market-based economic policy imperatives (which seems to be the case in many developing countries), it is unlikely that the associated sub-state minority can do so as a result of an inhospitable host state’ economic and political conditions.

In essence, due to its globalist nature, a global capitalist economy transcends the political, geographical, social and ideological boundaries of nationalism in the post nation-state era. The expansionist, competitive and efficiency-seeking markets go beyond the limits of nations and the boundaries of nationalism. Such globalist tendencies in the nature of the market are supported by the need for further division of labour that are explained in detail in Adam Smith’s Wealth of Nation and the works of his socialist critics.

If that is the case, how can we explain the persistence and resilience of nation-states and nationalism in e modern conditions?

The survival of nationalism and the nation-state can be explained by the pragmatism of the market players. The profit-driven markets have a pragmatic approach to the relationship between the existing socio-political structures and the economic imperatives that require change. If there is a possibility for the reshaping of nationalism according to the market players’ global economic interests, their pragmatism discourages them from initiating unnecessary socio-political changes. This is of course the case when the existing socio-political structure can adapt to market forces and the associated commercialization processes. In other words, market agents are primarily motivated by profit maximization and this, at least in the short term, encourages a pragmatic reformation of nationalism and the nation-state. The implication of this pragmatic approach to societal changes is that markets operate within an existing nationalist framework in the case of nations with a represented state, and it influences the processes of nation-state building among nations without a state through a revisited sub-state nationalism.

In brief, the argument for the relationship between economic globalization and nationalism can be explained as follows:

economic globalization strengthens global nationalist strategies by providing nationalist elites (particularly among minorities in developed countries) with effective policy-tools, such as empowering new regional economic policies. While global capitalism benefits from market expansion, new sources and further division of labour and opportunities for trade and
international profit maximization. At least in the short term, global capitalism can achieve the above goals through commercialization of national peculiarities without the need for destroying the existing national framework for its operation and the destruction of nationalism.

This may explain why nationalism, both among the ethnic majorities and minorities, has not disappeared as many modernist theorists of nationalism had hoped for. The current trends in the nature of nationalism, directed and inspired by globalization of the market economy suggest that rather than abolishing nationalism, global market forces are reforming nationalism to align it with the commercializing and instrumentalist nature of the markets. Economic globalization is reshaping socio-economic organization of its host societies, and such reorganizations influence the nature of nationalism and produce what this study labels as ‘globalist nationalism’. Globalist nationalism incorporates the cultural differences and, wherever possible, commercializes them. Market forces promote the marketization of ‘differences’ and commodification of cultural peculiarities when they can do so and erodes the non-marketable aspects of the existing national cultures. By doing so, the forces of economic globalization, defined as the global integration of the market economy, are remaking nationalism among the dominant ethnic groups and facilitating the birth of market-informed nationalism among minority nations.

In a globalist approach to nationalism, security and identity are sought’ in’ the global community not ‘out of’ it. Martin suggests:

… in an increasingly open world economy, nationalism can express itself through openness rather than isolationism … ‘free-trade nationalism’ may be a means of reconciling the nationalist goal of seizing control over one’s destiny with the goal of managing a successful insertion in the global economy. The two goals need not be incompatible. With increasing economic globalisation, all countries, large and small, will have to find ways to reconcile them (1997, p. 260).

Like ethnic majorities, minority nationalist elites cannot ignore the policy implications of the dominant global capitalist economic order. They adjust their policies through accommodating the requirements of economic globalisation. Therefore, economically-literate political elite create a socio-political environment that is compatible with a market economy and complementary to the economic logic of a global capitalist political economy.

In adjusting their nationalist agenda to global market imperatives, the Scottish and Quebec nationalists embrace international trade as a policy tool that not only is well adjusted to the economic conditions of the time, but also – if effectively and instrumentally used – it could promote their nationalist agenda. Such a form of globalist nationalism is backward-looking
and fanatical. As Latouche argues, “rather than seeing nationalism as a mechanism for going back in time... to appropriate the history and so confirm that one exists, we should see it as a way of organizing space on the basis of territory” (2001, p. 191).

In other words, economic globalization has a tendency to transform exclusionist nationalism to an accommodating globalist nationalism that is directed by economic pragmatism. The transformation of ideological and ethnocentric nationalism to a space-oriented globalist nationalism is a qualitative process that is formed by the marketization process and consequential to the global structural economic changes that have occurred in modern times. Globalist nationalism is product of market-driven civilisation and the invisible force of the global market.

Globalist Nationalism: Incorporating Non-Economic Factors of Classical Nationalism

An important remaining question is whether globalist nationalism is capable of incorporating all aspects of classical nationalism, particularly its non-economic functions. If it is able to do so, how is it manifesting itself on the ground?

In explaining the nature of regional identity and civil societies, Keating argues:

... there ... exists a more modern type of territorial identity rooted not in affective forms of community but in structured patterns of cooperation and exchange. This type of territorial community does not require political and social homogeneity but is consistent with a vigorous internal politics (Mabieau et al., 1989). In both the economic and political spheres, it provides a balance of co-operation and competition. A territorial community can thus become a space for social interaction, within which politics has its place. Agnew (1987) calling this simply a 'place', distinguishes it from community in the affective, monolithic sense. Place he sees in terms of three elements: locale, the settings in which social relations are constituted; location, the geographical area encompassing the setting for social interaction as defined by social and economic processes operating at a wider scale; and sense of place, the local 'structure of feeling' ... Putnam (1993) shows how, given the right type of civic community, patterns of cooperation can be self-sustaining ... Such rational a form of territorial identity can provide the social cohesion necessary to bridge individual and collective forms of rationality. Reduction of territory to a mere set of exchange relationships (as described in the public choice theory) provides no basis for economic or social exchange other than simultaneous and reciprocal benefits to identifiable beneficiaries, and poses a whole range of collective action problems. (1997, pp. 37–39)
As Keating argues, the exchange relationships and market transactions can occur in a simple ‘place’, but what it is not clear is how these interactions can incorporate a broad-based ‘collective identity’, that constitutes the core component of classical nationalism. The materialistic nature of market forces overwhelms the individual and does not leave any aspect of the human psyche unaffected. Yet whether market-based exchange relationships are capable of producing new identities remains to be seen.

In any case, appealing to the territorial instincts of the human species constitutes a solid basis for the formation and formulization of globalist nationalism. Evidently, economic globalization seems to build on these instinctual needs by directing globalist nationalism in a similar direction. This is evident in Quebec and Scotland where the emerging regional sub-state identities stress the importance of a ‘place’, while promoting Quebec and Scottish nationalism. This form of nationalism has a dominant nation at its core and ethno-historical nationalism as it biding force. Yet what distinguishes it from the classical nationalism is its openness and outward oriented-ness both economically and politically. Globalist nationalism is civil and incorporating, yet unlike liberal nationalism it is an adaptive not prescriptive. It is the pragmatic outcome of interrelations between nationalism and economic globalization consequential to having an adaptive approach to the modern global capitalist political economy order.

Ironically, minority nationalism seems to set the example for the ethnic majority in shaping this new form of nationalism as they pursue their nationalist projects in the context of a globalizing world. In Iraq for example, Kurdish nationalism has an economically globalist approach and it is politically outward orientated, while the majority Arab nationalism is still predominately centralist. Unlike the rigid and exclusive character of classical national identities, the volatility of the market forces that direct the processes of economic globalization require the formation of flexible identities that are capable of adjusting to modern conditions. Therefore classical majority nationalism needs to adjust itself to the requirements of economic globalisation.

**The Synthesis of the Main Arguments**

In classical state-sponsored elite-driven nationalism, exclusions and the creation of boundaries were the basis on which the Westphalian states defined and managed their citizens. The well-defined boundaries of ethnicity, language and culture worked as essential ingredients of nation building. They were necessary for promoting the efficiency of national markets through the homogenization and standardization of language, the legal system, laws and the other similar factors. The ethnocentrism of classical nationalism was/is a by-product of the Westphalian state’s self-
limiting paradigms and its functions and this explains why classical states were/are intolerant of ethnic and cultural diversities.

In contrast to the Westphalian state-sponsored exclusionist nationalism, a globalizing state requires a globalist market-sponsored nationalism that incorporates modern states and their political/business elites’ globalizing economic agenda. It is a form of nationalism that is capable of incorporating increased ethno-cultural diversities created by global economic integration and the globalization of production processes. Among modern globalizing states and sub-state entities globalist economic policies have paved the way for reforming the meaning of the nation-state, in the case of majority ethnic groups, and nation-state building in the case of sub-state entities.

The globalization of the market economy suggests that market expansion and profit maximization, has gone beyond the boundaries of the classical nation-state. The modern global economic order, while accommodating the need for an emotionally space-specific form of nationalism, has a tendency to create an economically borderless nationalism to incorporate the economic imperatives of modern times that is propelling globalizing states ahead. Economic globalization has transformed nationalism from a bordered to a space-specific, yet borderless concept, where a place is important for ethno-cultural identities, yet this place acts only as a reference point in relation to a much larger space: the global space.

Nationalism in Developing Countries

Nationalism in developing countries is often an imitation of the western model without its depth and the benefits of going through its evolutionary processes. Developing states have not had enough time, structural economic imperatives, and capabilities that facilitated the evolutionary processes which led to classical nation-building in the western world. The duplicated nationalism dominant in developing countries has not necessarily the capacity for a harmonious adjustment to the socio-political and economic structural requirements of modern conditions dictated by global economic integration. In these countries, the majority nationalisms are influenced by their particular regional economic, social and political conditions. The rushed and incomplete majority nation building and the associated nationalisms in the developing world can also be copied among the minority nations in these countries.

Lagging behind in the evolutionary processes and in the absence of structural economic pressures often leads to backward looking nation-state building in the developing world. Minority nations and their host-states in developing countries are understandably slower in reaction to the policy implications of new market-based global structural changes. Nonetheless, the
nature of these minority national projects needs to be studied within their own particular nation-building developmental trajectories. The particular contextual factors such as regional geopolitical circumstances and the dominant mode of socio-economic organization need to be considered in theorizing the nature of minority nationalism in specific developing countries.

The emergence of globalist nationalism in the developed world is a consequence of the holistic evolution of developed societies. The implications of emerging globalist sub-state nationalism in the developed world for sub-state nationalists in the developing countries can be summarized as follows:

Firstly, minority nations in developing countries need to be aware of the market economy-based, incorporative nature of emerging globalist nationalism and the regional and global economic paradigms in which such forms of nationalism have flourished.

Secondly, while globalist nationalism is space-specific and incorporates emotional attachment to a space, it is open-armed in its relation with “others”.

Thirdly, ‘the liberating’ promises of this new form of nationalism are effectively realised within and based on a globalized economic context and it is responsive to the structural requirements of economic globalisation.

Finally, the new global political economy weakens globalizing host nation-states' capacity and the need for imposing boundaries and limitations of classical nationalism on their citizens, while at the same time, at an effective economic level, nullifying the need for Westphalian nation-state building among minority nations.

Conclusion

In evaluating the interrelation between economic globalization and nationalism the innovative and adaptive nature of a capitalist global political economy as well as nationalism and nationalist policies should not be underestimated. Economic globalization undermines the socio-political structures that are incapable of adapting to its economic prescriptions or stands in opposition to its commercializing impact.

This article has argued that the current phase of economic globalization is promoting a form of nationalism that thrives on global and regional economic integration and it is pragmatically re-creating nationalism in line with its marketization and commercialization logic, i.e. globalist nationalism.

Economic globalization has created the possibility for the conception of a form of nationalism that is structurally consistent with the current economic agenda of globalizing state and sub-state entities. If the sub-state
nationalists in developing countries desire to use economic globalization for pursuing their nationalist agenda, they may not be able to escape its implications both for the nature of their nationalist project and the methods they use for promoting it.

References: