



Ardavan Mobasher: Economic nationalism is serious issue in U.S.

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A key goal of U.S. global policy after World War II was avoidance of major global military conflicts, which had engulfed the world twice since 1914.

Economics had a front-and-center role in achieving this goal of relative stability. America's own domestic experience had shown that the more economies were linked, the more capital and labor would be allocated efficiently and productively, leading to a higher standard of living. And the higher the standard of living, the less likely are economic agents to allow their differences outside of economics to rock the boat.

Whether it was the funding of the Marshall Plan, signing of the Bretton Woods agreement, establishing the World Trade Organization, support for the Treaty of Rome (the precursor to the European Union), and beginning in the 1980s with various free trade agreements, the United States championed greater global economic integration — and not just because it would help stabilize a world desperately in need of it, but because it made good economic sense.

While the road was not always bump-free, as American industry was increasingly challenged by competition from our partners, our policy makers always found the strength to resist the nationalistic desire to retaliate for the sake of protecting domestic activity. And we are all better off for it.

Fast forward to 2015 and the candidacy of Donald Trump and Bernie Sanders for the presidency. The protectionist platforms of both Trump and Sanders included opposition to one of the most far-reaching and innovative trade deals the United States had ever negotiated, namely the Trans-Pacific Partnership. This marked an important moment. For the first time, candidates from both major political parties stood in opposition to a trade deal that two prior administrations (one from each party) had helped put together with the quiet support of Congress.

As president, Donald Trump has remained true to his campaign promises and withdrew from the TPP. He is renegotiating the North American Free Trade Agreement and just enacted \$50 billion in tariffs on China. The debate around whether these are the right decisions for the country can go on ad nauseum, as they should.

But three events have occurred over the past month or so that should raise eyebrows, if not alarm bells, in terms of the direction of this experiment in nationalism.

On Feb. 13, in a testimony in front of the Senate Intelligence Committee, the heads of the six top intelligence agencies expressed unusual concerns about the Chinese smartphone maker Huawei. FBI Director Chris Wray went so far as saying that we should not allow companies “that don't share our values to gain positions of power inside our telecommunications networks.”

That don't share our values? Huawei is a company that is legally operating and selling its products and services inside the United States.

Then on March 8, Trump signed off on the steel and aluminum tariffs. He did so not in the name of defending U.S. jobs and unfair trade practices, but by invoking section 232 of the Trade Expansion Act of 1962 in the name of national security and the importance of steel and aluminum for the defense industries.

And then on March 12, Trump, via an executive order, blocked the merger of technology giants Broadcom and Qualcomm by arguing that "Broadcom ... might take action that threatens to impair the national security of the United States."

The president and his administration have now decided to elevate their message of economic nationalism beyond just economic arguments. By unnecessarily invoking national security, they are raising concerns in the minds of Americans that free trade and globalization are not only threatening their jobs but their safety and security. In doing so, not only are we fast regulating the economy, but an opening is being created for opportunists to attack those opposed to such measures as unpatriotic and un-American.

Such measures will only assist in quieting those who continue to believe in the post-World War II American story of economic freedom, globalization and transparency, and should be resisted by lawmakers, policy makers and ordinary Americans on both sides of the aisle.

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