Introduction

Steven Rosefielde

Globalism was the new millennial utopia, until Donald Trump's stunning electoral victory. Supporters believed that a harmonious, just, peaceful, and prosperous future was dawning that soon would be realized by building global economic, political, and social networks. They reasoned that nationalism limited the world's potential and spawned international conflict in much the same way that communists claimed private property was the root of evil. Eliminate nations, or render them obsolete by adopting a common ideal, and, as Francis Fukuyama surmised, the planet will arrive at the "end of history."

Globalization in the new millennial utopia serves as the engine of globalism. It is today's ineluctable materialist dialectic. The logic is appealing. Eliminate national barriers to trade and everyone will prosper. Construct international institutions to harness collective know-how and things will be even better. Create a superior blended common sociopolitical culture, and global well-being will soar beyond the stratosphere.

Globalists believed that globalization was unstoppable. Each advance provided rewards that would be lost if the process reversed, tutoring everyone that the only rational course was fast forward. The vision inspired several generations and became an article of faith until the global financial crisis of 2008, when the unimaginable happened. Globalism began unwinding economically, socially, politically, and internationally.

Recovery from the 2008 global financial crisis morphed into secular stagnation.¹ Rapid Third World economic development became a fading memory. European Union (EU) dreams unraveled with Grexit and Brexit, and Russia and China began vigorously challenging Western (American and EU) dominance. Where it once seemed that the world was heading toward a common Western-style economic, political, social, and cultural order (a politically correct variant of the traditional “American Dream”), this no longer seems plausible. Not only are Russia and China contesting the West’s concept of the global ideal, and expanding their own national spheres of influence, Donald Trump has declared that he is hostile to the concept. He advocates “America First,” and seeks to disempower or eradicate flagship globalist institutions like the United Nations and the Trans-Pacific Partnership.

Globalists, however, need not despair. Trump will not be forever. Perhaps, utopia will eventually reign across the globe, but it is still useful to consider why the globalist dream in the EU, Russia, and China went awry and to gauge the crosscurrents hidden beneath the headlines. *Unwinding of the Globalist Dream* examines why the EU, Russia, and China went astray after the 2008 global financial crisis. It scrutinizes the West’s triumphalist decline (America and the EU)²; highlighting the

¹Robert Barro and Tao Jin, “Rare Events and Long-run Risks,” *NBER Working Paper* 21871, January 2016, available at <http://www.nber.org/papers/w21871>: “On average, during a recovery, an economy recoups about half the GDP lost during the downturn. The recovery is typically quick, with an average duration around two years. For example, a 4% decline in per capita GDP during a contraction predicts subsequent recovery of 2%, implying 1% per year higher growth than normal during the recovery. Hence, the growth rate of U.S. per capita GDP from 2009 to 2011 should have been around 3% per year, rather than the 1.5% that materialized.”

²Krauthammer (1990, 2002/2003). “The new unilateralism argues explicitly and unashamedly for maintaining unipolarity, for sustaining America’s unrivaled dominance for the foreseeable future. It could be a long future, assuming we successfully manage the single greatest threat, namely, weapons of mass destruction in the hands of rogue states. This in itself will require the aggressive and confident application of unipolar power rather than falling back, as we did in the 1990s, on paralyzing multilateralism. The future of the unipolar era hinges on whether America is governed by those who wish to retain, augment and use unipolarity to advance not just American but global ends, or whether America is governed by those who wish to give it up — either by allowing unipolarity to decay as they

complexities of Russia's and China's geopolitical ascent, secular economic stagnation, social discord, and EU unraveling. This volume has three parts. Part I addresses Western secular stagnation, social strife, and EU fragmentation, focused on the EU. Chapter 1 sets the scene with a summary account of the West's woes, followed by five chapters on the EU's unfolding economic, political, and social plights.

Part II illuminates Russia's resurgence and interplay with the Western-dominated globalist order. It focuses on developments after Russia's annexation of Crimea and on the possibilities of the Kremlin's expansion of its sphere of influence at the West's expense. Seven chapters are devoted to these themes.

Part III extends the story by examining China's growing economic and military potential against the backdrop of the West's reciprocal decline. Six chapters are devoted to these important topics.

A conclusion briefly summarizes the unwinding of the globalist dream and offers some insights into the impending brave new populist age that seems likely to replace paradise lost.³

retreat to Fortress America, or by passing on the burden by gradually transferring power to multilateral institutions as heirs to American hegemony. The challenge to unipolarity is not from the outside but from the inside. The choice is ours. To impiously paraphrase Benjamin Franklin: History has given you an empire, if you will keep it." Available at <http://belfercenter.ksg.harvard.edu/files/krauthammer.pdf>.

Cf. Andrew J. Bacevich, "American Triumphalism: A Postmortem," *Commonweal*, January 26, 2009, available at <https://www.commonwealmagazine.org/american-triumphalism-0>: "Triumphalist thinking derived from two widely held perceptions. The first was that the unraveling of the Soviet empire had brought history to a definitive turning point. According to this view, the *annus mirabilis* of 1989 truly was a year of wonders, sweeping aside the old order and opening the door to vast new possibilities. The second conviction was that it was up to the United States to determine what was to come next. Basic arithmetic told the story: there had previously been two superpowers; now only one remained. Henceforth, the decisions that mattered would be Washington's to make." The term "American triumphal" for the reasons made clear above is associated with Conservatives and neo-Conservatives, but its roots go back to Woodrow Wilson and Theodore Roosevelt before him.

³Danny Quah and Kishore Mahbubani, "The Geopolitics of Populism," *Project Syndicate*, December 9, 2016, available at <https://www.project-syndicate.org/commentary/populism-driven-by-geopolitical-change-by-danny-quah-and-kishore-mahbubani-2016-12>. Cf. Yuri Friedman, "What the World Might Look Like in 5 Years, According to US Intelligence," *Atlantic*, January 11, 2017, available at <http://www.defenseone.com/ideas/2017/01/>

References

- Fukuyama, Francis (1992), *The End of History and the Last Man Standing*, New York: Simon and Schuster.
- Krauthammer, Charles (1990), "The unipolar moment: America and the world," *Foreign Affairs*, July/August 2002, 70(1), 23–33.
- Krauthammer, Charles (2002/2003), "The unipolar moment revisited," *The National Interest*, Winter, 5–17.
- Mills, Quinn and Steven Rosefielde (2016), *The Trump Phenomenon and Future US Foreign Policy*, Singapore: World Scientific Publishers.
- Rosefielde, Steven (2016), "Grexit and Brexit: Rational choice, compatibility, and coercive adaptation," *ActaOeconomica*, September, 66, 77–91.
- Rosefielde, Steven and Quinn Mills (2017), *Trump's Populist America*, Singapore: World Scientific Publishers.

what-world-might-look-5-years-according-us-intelligence/134511/?oref=d-river: "Even America's own government analysts see the American Era drawing to a close. Every four years, a group of U.S. intelligence analysts tries to predict the future. And this year, in a report released just weeks before Donald Trump assumes the presidency, those analysts forecast a massive shift in international affairs over the next five years or so: 'For better and worse, the emerging global landscape is drawing to a close an era of American dominance following the Cold War,' the study argues. 'So, too, perhaps is the rules-based international order that emerged after World War II.' The National Intelligence Council (NIC), a unit within the Office of the Director of National Intelligence, is essentially marking the potential end not just of America's status as the world's sole superpower, but also of the current foundation for much of that power: an open international economy, U.S. military alliances in Asia and Europe, and liberal rules and institutions — rules like human-rights protections and institutions like the World Trade Organization — that shape how countries behave and resolve their conflicts." "Today, however, major powers are struggling to cooperate on issues of global consequence and acting aggressively in their respective parts of the world, the NIC observes. In the coming years, the council envisions the current international system fragmenting 'toward contested regional spheres of influence.'"